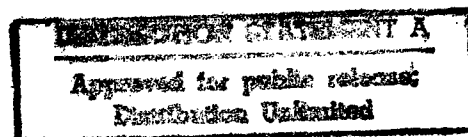


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# Latin America Report

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23 January 1984

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## DEAL WILL LET TRINIDAD OIL DRILLERS CONTINUE IN BARBADOS

Bridgetown SUNDAY SUN in English 27 Nov 83 p 1

[Text]

BARBADOS, Venezuela and Trinidad, are now reported to be working out details for an arrangement in which Well Services Limited of Trinidad will be retained for oil drilling operations in this country.

Government here renewed the contract of the Trinidad company for one year, after it established the Barbados National Oil Company (BNOC), and allowed Well Services Limited to continue to operate its drilling rigs at the Woodbourne oil fields.

That contract expires on January 23.

Sources said yesterday that Barbados was trying its utmost to ensure the company's contract was renewed, and its drilling rigs retained since Government here did not want it to appear as though this country was taking retaliatory action

against Trinidad, following the diplomatic impasse that resulted from the military intervention in Grenada, and the situation in the garment industry here that followed import restrictions in Trinidad.

The Minister of Energy, Senator Clyde Griffith, told the SUNDAY SUN yesterday, there was a distinct possibility that the Trinidad drilling rigs would have been displaced by another, probably meaning one from Venezuela, which has just supplied Barbados with a US \$9 000 000 (about Bds. \$18 million) long-term line of credit for use in the Barbadian oil and natural gas industry.

He confirmed and elaborated on an official Government statement on talks on Trinidad last Sunday, and said he and his Trinidad counterpart, Patrick Manning, had been able to work

out a common position.

During their talks in southern Trinidad last week, Mr. Griffith and Mr. Manning discussed the possible use of that country's expertise in oil exploration and development of this country's expanding petroleum industry.

The talks also covered the Regional Energy Action Plan and specifically the rationalisation of refining capacity in the region and Trinidad's role as supplier of first resort for petroleum products, as well as fuel oil for the joint Barbados-Trinidad cement plant in St. Lucy.

Senator Griffith said this country was also hoping to recruit reservoir engineers and senior petroleum engineers, on a technical assistance basis. The relevant advertisements have been placed in the Trinidad press.

CSO: 3298/283

## NICARAGUA, PERU ISSUE JOINT COMMUNIQUE

Managua EL NUEVO DIARIO in Spanish 6 Dec 83 p 4

[Text] 1. The Government of Peru has been very pleased to receive the visit of the coordinator of the Junta of the National Reconstruction Government of Nicaragua, Commander Daniel Ortega Saavedra, who remained in Lima 2 and 3 December 1983. He was accompanied by the minister of foreign affairs, Miguel D'Escoto Brockman and other high Nicaraguan officials. An interview was held with the president of the republic, Fernando Belaunde Terry, and there were also interviews with the president of the Council of Ministers and the minister of foreign affairs, Fernando Schwalb Lopez Aldana, with the president of the Senate, Ricardo Monteagudo; and with other Peruvian personages. Likewise, the minister of foreign affairs had an interview with the Peruvian foreign Minister, Fernando Schwalb Lopez Aldana. The members of the Nicaraguan delegation, in turn, met with Peruvian authorities.

2. The conversations between the coordinator of the Junta of the National Reconstruction Government of Nicaragua and the members of his delegation with high Peruvian officials took place in a cordial atmosphere. Questions of a bilateral nature and present-day international matters, especially those referring to Central American problems, were treated.

3. The President of Peru and the coordinator of the Junta of the National Reconstruction Government of Nicaragua reaffirmed the support of their governments for the precepts contained in the charters of the United Nations and of the Organization of American States. In this sense, they emphasized the principles of sovereign equality of the states, of respect for their territorial integrity, of abstention from recourse to the threat or use of force, of free determination of peoples, of nonintervention, of peaceful solution of controversies and of the faithful compliance with treaties. Likewise they pointed to the adherence of their countries to pluralism in international relations, to full vigilance for democratic institutions, the promotion of social justice, cooperation for development, the defense of human rights and the condemnation of terrorism and subversion, including that coming from the outside.

4. The coordinator of the Junta of the National Reconstruction Government of Nicaragua supplied ample information to the Peruvian authorities on the



most salient aspects of the foreign policy of his country, especially several proposals which his government has formulated to contribute to the negotiations which are being carried on in the framework of the Contadora Group; at the same time he showed his concern for the constant incursions attempted against the sovereignty and territorial integrity of Nicaragua.

5. The president of Peru thanked the coordinator of the Junta of the National Reconstruction Government of Nicaragua for the information supplied and reaffirmed his strong desire that a peaceable solution of the region's crisis be negotiated in accordance with the principles enshrined in the inter-American juridical system.

6. Both dignitaries analyzed the situation which lies across Central America and exchanged ideas on the causes which have brought it about, including the socioeconomic problems which affect the countries of the area and whose quick solution is an imperative of the hour.

7. They reiterated their full support to the efforts which the Contadora Group is making to bring about the dialogue between the parties directly involved to find a negotiated solution for the principal problems which affect this region. They reaffirmed the hope that all nations of the continent would offer effective and full cooperation to create the conditions which will permit the guarantee of peace and security in Central America.

8. They agreed on the appropriateness of intensifying the coordination of the Latin American countries through SELA [Latin American Economic System] in order to reinforce its negotiating capacity in the solution of the international economic crisis. They agreed on the importance of the creation of CADESCA [Action Committee for the Economic and Social Development of Central America] for the advancement of the Central American subregion.

9. They brought out that economic cooperation among developing countries, because it is founded in principles of solidarity and reciprocal interest, constitutes a viable and effective alternative to assist the economic and social development of their peoples. In this respect they also reaffirmed the actions which the nonaligned countries are taking to overcome the problems which impede the establishment of a new world order, based on peace, equality and justice.

10. In the bilateral area, they expressed their satisfaction in that the relations between Peru and Nicaragua are at a level of cordial understanding. Apropos of this, they agreed to emphasize the rapprochement between the two peoples by means of economic, commercial and cultural cooperation. Likewise, they showed the appropriateness of formulating a bilateral agreement for the protection and defense of their cultural inheritance.

11. The coordinator of the Junta of the National Reconstruction Government of Nicaragua, Commander Daniel Ortega Saavedra, expressed his enduring gratitude for the hospitality offered to him and to his retinue during their stay in Peru and repeated to President Fernando Belaunde Terry the invitation to visit Nicaragua whenever he considered it convenient.

## FERNANDO SCHWALB ON CHILEAN-PERUVIAN RELATIONS

Santiago QUE PASA in Spanish 15 Dec 83 pp 40-41

[Interview with Peruvian Foreign Minister Fernando Schwalb; author, date, time and place not given]

[Text] How would you define relations between Chile and Peru? Foreign Minister Fernando Schwalb, with the serenity that seems to be his trademark, settles down in his chair in the ministerial office in the colonial Palacio de Torre Tagle in Lima, and replies: "I consider them to be normal and satisfactory in all aspects of our relationship. There is no cloud on the horizon, and I think these relations should be maintained."

Twice appointed foreign minister (during the first Belaunde administration, and now the second), this attorney and politician entered the Peruvian ministry of Foreign Relations at the age of 16 (1933), and left in 1948 after having served as council minister in Washington (in 1980 he would return as ambassador to the White House, where he was accredited until early this year). Fernando Schwalb, who nevertheless does not consider himself a career diplomat, has also been a senator and has held high positions in Popular Action, President Belaunde's party.

[Question] What future do you see for Chilean-Peruvian relations?

[Answer] In New York I had an opportunity to talk with Foreign Minister Schweitzer about a matter that is of great interest to Chileans as well as Peruvians: the promising future of the Pacific Basin. We agreed that if not in the short term, that dream will be realized in the medium term. The Basin is very important to us from the development standpoint. We think that Canada, the United States, Mexico, Central America, South America, Australia, New Zealand, China, Russia, Hong Kong, Singapore, Korea, Taiwan--in sum, a number of very important countries in terms of population density and economic potential--all have their eyes on that basin. It appears that the center of gravity of international trade is moving toward the Pacific.

[Question] And the mixed commissions of the two countries will also study the idea of coordination in that regard?

[Answer] Certainly. Foreign Minister Schweitzer has already extended an invitation to the foreign ministers of the South Pacific Commission (Colombia, Ecuador, Peru and Chile) to meet at Vina del Mar next year.

[Question] And you will be there.

[Answer] I plan to be there, God willing. There we will debate our own problems, within the framework of this long-standing commission, and with specific reference to our maritime area. But we will also delve into this new possibility of asserting our presence in the meetings already being held among the countries of the Basin, to study future plans for it.

[Question] In your opinion, has the Andean Pact ceased to be an economic instrument, to become a political entity?

[Answer] Throughout its 14-year history, it has obviously not turned out to be what we expected of it so far in terms of integration. It has come up against many obstacles. Today those obstacles extend to trade itself, due to restrictive clauses that impede normal traffic. Thus, in many ways, its letter and spirit have been violated, but I would say that an effort like this cannot be considered a failure. It has been a major attempt by man in this part of the world to create an extended market. We have gained experiences, and at the meeting of presidents in Caracas, the idea of the Andean Pact was given new life.

[Question] How would you view Chile's reentry in the Andean Pact?

[Answer] Of course it was regrettable that Chile left this plan. I am not an expert on the issue, but I understand that reentry after so many years and now that certain situations have arisen, is not such a simple matter. I would say that the experts of the Cartagena Agreement should study the point and issue a pronouncement.

[Question] The Peruvian press has made much of the reported purchase of the Hermes aircraft carrier by Chile, despite subsequent denials. What do you think this media hype was all about? Is this a problem that stems from internal political factors in Peru? Do some sectors perhaps want to pressure the Belaunde administration to budget more for new weapons, or to create tensions where there are none?

[Answer] Any major weapons acquisition--in this case, an aircraft carrier--is going to be talked about, whether or not it is true. In this regard, countries have freedom and sovereignty to decide what is appropriate for them. This always entails comments by the press, because it means tipping the arms balance and pursuing an arms build-up policy. All countries have a tendency to balance their military entities. That is why it is not strange for the press to take up the matter. We--at least I--do not know what plans the Chilean Government has with regard to the purchase of weapons, or in particular, of that English aircraft carrier. It may or may not be true. These matters are usually kept secret. In any case, Peru has proposed the limitation of arms (Ayacucho Declaration). This cannot be unilateral. There should be a consensus on the matter in order to enable us to channel more resources

into development-oriented investments, especially during a serious economic crisis.

[Question] In any case, Chile's denials have been very clear. Even the Peruvian magazine OIGA says that it is not possible to create such a scandal out of a mere political rumor. Moreover, Chile has not made such an uproar about reported Peruvian purchases of Mirage planes from France, or helicopters from the Soviet Union. Why has this matter been so hyped up in some Peruvian media, then?

[Answer] There are a lot of sensationalist newspapers that try to attract readers with their headlines. The headlines do not always bear any relation to the story.

[Question] Then wouldn't you say that these reports on Chile's alleged purchase of an aircraft carrier are a response to internal political pressures in Peru?

[Answer] It does not seem to me that they are a response to internal political pressures in Peru, because . . . what is the effect of the unleashing of an arms race?

[Question] You have held so many diplomatic posts. What importance do you attribute to the professionalization of the Foreign Service?

[Answer] A great deal of importance, which does not mean that there are no political ambassadors. They are all over. They generally reflect the ideology and characteristics of the administration in power. But as a support to those political appointees, there are always professional diplomats. Diplomacy requires a strong dose of experience, as well as constant and systematic training over a number of years so that the person will acquire the diplomatic touch. This is a difficult element to define, but it is the product and the essence of years of experience in dealing with many international matters, meeting many people in the field, managing many problems and also experiencing success.

[Question] Why does Peru not use generals as ambassadors today?

[Answer] Because we feel that diplomatic activity is different. Generally military ambassadors proliferate during a military regime. When a civilian, constitutional and democratic government is restored, the country turns to its professional diplomats and its politicians, who can sometimes contribute something more innovative.

[Question] Do you believe that diplomacy should be aggressive, pragmatic?

[Answer] I think neither one. Diplomacy should represent a continuity in a country's international policy. It must pursue the basic and primary goal of keeping that country active within the world system. There are sacred principles which underlie peaceful coexistence. I believe that diplomacy should adhere to those principles regardless of the circumstances. When a matter arises that is controversial in public opinion, foreign ministries

should always act in accordance with the postulates that form the basis of the international legal system: the juridical equality of states, non-intervention, self-determination of peoples, respect for treaties--which is very important--peaceful solution of controversies . . .

[Question] Going on to another subject, to what extent do you think Sendero Luminoso [Shining Path] is an external product? Or is it internal?

[Answer] I would say that it is a combination of the two. It has emerged in very specific areas of the country, but the modus operandi of these terrorists indicates that they have been indoctrinated to a certain extent. How has this happened, and where? I am not in a position to say. But there is a foreign connection.

[Question] What is your personal reaction to the fact that one Peruvian, Javier Perez de Cuellar, is Secretary General of the United Nations, while another Peruvian, Luis Marchand, is a candidate for Secretary General of the Organization of American States?

[Answer] I see no conflict of interest. We are still very far from being able to predict, but I would say that Dr Marchand, due to his experience in the OAS and the connections he has, is looked upon favorably. But there are other candidates as well, such as the Brazilian one. . .

[Question] But aside from no conflict of interest, don't you think that Peru is afforded an important presence abroad at this time, having two of its citizens in such high positions in multilateral organizations?

[Answer] Certainly, but we must bear in mind that for these posts consideration is given to factors that could be termed personal qualities, rather than the candidate's nationality. But what we are interested in, above all, is maintaining Latin American unity and having a single candidate in the OAS.

We say good-bye to the foreign minister, this man who, like President Belaunde, spent years in exile in the United States. But he detains us and asks us to add something. Then he states: "I would like to take this opportunity to recall the diplomatic efforts of Ambassador Jose Miguel Barros between us. He and I are personal friends because we were colleagues together in Washington. I did not really have a chance to get together with him in Lima, because shortly after I took office in the Foreign Ministry he was transferred by his government. Nevertheless, I would like to praise the work he did here in Peru and express appreciation to him. I would also like to say that his successor in the post is a distinguished diplomat, Ambassador Juan Jose Fernandez, who has come under the best auspices. We are certain that he will make an excellent contribution to the strengthening--even more, if possible--of ties between Peru and Chile.

8926

CSO: 3348/152

## CUBANS, NICARAGUANS PRAISE COOPERATION IN PUBLIC HEALTH

Havana CUBA INTERNACIONAL in Spanish Nov 83 p 1

[Text] Sergio del Valle, minister of public health and member of the Politburo of the Central Committee of the Communist Party of Cuba, speaking in Managua, warned the government of the United States not to make a mistake about his country's willingness to engage in dialogue or the solutions it has proposed for the Central American conflict.

Along with Daniel Ortega Saavedra, coordinator of the Nicaraguan Government Junta, Del Valle Jimenez presided over the joint graduation of 136 doctors from that nation and 201 Cubans completing the final year of their course of studies (internship) in Nicaraguan towns and cities.

The Cuban students graduating in Managua completed theoretical courses corresponding to the highest level, courses taught by experienced professors, and lent their services to many Nicaraguan citizens residing in the most remote corners of the country.

In the speech he delivered at the graduation ceremony, the minister of public health of Cuba stated that "imperialism has not succeeded and will never succeed in bringing the Sandinist Revolution to its knees.

"Let the imperialists not be mistaken if they think that our willingness to engage in dialogue, to accept a peaceful solution of problems, is a sign of weakness or fear in the face of the American military deployment in the area," he stressed.

"On the contrary," he continued, "it is a demonstration of the strength, security and confidence in history, of our willingness to fight to the last drop of blood defending our just and invincible cause."

In another part of his speech, Del Valle recalled that the 201 Cuban interns graduating as doctors are the expression of the political and moral values of the over 6,000 sixth-year medical students who responded to the call to work in Nicaragua for 3 years.

He explained that the work the 201 students have done in 1 year -- they will perform 2 more years of social service in Nicaragua -- was of the highest quality.

Del Valle emphasized that while the new doctors have given their support to the people of Nicaragua, they have nevertheless received "much more than what they are leaving in this land, because it is an experience that will remain with them all their lives."

The graduates were later addressed by Maj Daniel Ortega Saavedra, who called relations with Cuba "exemplary" and who said that the cooperation which Cuba is extending to his country will not be negotiated.

He said that American officials are concerned because "here is a people, a government, a political vanguard, the Sandinist Front, all of which have the determination and willingness to welcome this cooperation from the brother people of Cuba."

Ortega said that Washington is worried about the fact that there are Cuban doctors in Nicaragua "because the example of a Cuban doctor is more dangerous for imperialism and its puppets than a dozen military advisers."

He said that confronted with the example of doctors, teachers, builders and other civilian workers, "the imperialists cannot fight or compete."

Referring to the class of Cuban and Nicaraguan doctors, the head of the Coordinating Junta said that it has come to further strengthen brotherhood between the two nations.

#### Cuban-Nicaraguan Cooperation in Public Health

An intense schedule of work was completed by Cuban Minister of Public Health Sergio del Valle on his first trip to Nicaragua.

The Cuban official, who went especially to Managua to attend the graduation of 201 Cuban medical students completing their final year of study in the land of Sandino, was greeted by Lea Guido, minister of health of Nicaragua, who had waited for him at the capital's air terminal.

During his stay in the Central American nation, Del Valle held talks with officials from the Ministry of Health and visited Cuban internationalist medical brigades.

Cuban-Nicaraguan cooperation in the field of health began a few weeks after the triumph of the Sandinist Revolution in 1979, with the arrival of the first internationalist medical team made up of 60 professors and specialists.

Shortly thereafter, the first instructors arrived that same year and participated in the organization of the Luis Felipe Moncada Health Clinic.

At the end of 1981, the number of Cuban assistants rose to 282, of which 168 were doctors, 48 technicians and 66 nurses. In April 1982, the teaching program began with Cuban students from the last year of medical school, 105 of whom completed their studies and graduated in Nicaragua.

That first group of interns, like the second recently graduating, contributed in a noteworthy fashion to the health development program being carried out by the Nicaraguan Revolution, not only through medical attention for the population, but also through its work in the field of research.

By December 1982, Cuban medical teams had held over 3.5 million consultations, performed over 45,000 operations, assisted 20,000 deliveries and provided other types of care in hospitals in the cities and remote towns of Nicaragua.

11,464

CSO: 3248/272



CARIBBEAN TRADE UNION LEADERS CRITICIZE U.S. POLICY

Havana TRABAJADORES in Spanish 2 Dec 83 p 3

[Statement by Caribbean Trade Union Assembly, 1 December 1983, Havana]

[Text] The trade union leaders of Santa Lucia, Jamaica, Grenada, Barbados, Cuba, Nicaragua, El Salvador, Venezuela and Colombia, meeting in Havana on 1 December 1983 at the Caribbean Trade Union Assembly, after analyzing the serious situation caused in the area by the brutal American intervention in the brother island of Grenada, where that nation's sovereignty was crushed, resulting in the loss of many Grenadan lives and the lives of 24 Cuban workers who were contributing to the development of that nation, concerned over the grave situation in Central America and the aggression unleashed against our brothers in Nicaragua and El Salvador, threatened with a new invasion by Yankee troops, and convinced of the decisiveness of the unity and solidarity of workers and trade unions as our best weapon for fighting and confronting imperialism,

Hereby Resolve:

To condemn with all our strength the cruel and unjustified aggression by the Armed Forces of the United States, in complicity with the puppet leaders of the so-called Organization of Eastern Caribbean States, against the fraternal island of Grenada, in violation of all international standards and treaties and the sovereignty of that hard-working people, which also constitutes a violation of the integrity and independence of Caribbean nations;

To demand an immediate halt to military intervention in Grenada and the immediate withdrawal of all American forces from Grenadan soil, leaving the people of Grenada free to solve their own domestic problems, free of outside intervention.

We hereby condemn the recent detention of comrades John V. Ventour, general secretary of the Congress of Trade Unions of Grenada, C. Humphrey, official of the Union of Technical and Related Workers, by the Yankee troops of occupation and we demand their immediate release and unrestricted respect for their physical integrity.

We reiterate our willingness to declare and maintain the Caribbean as a zone of peace, as stated in the Final Declaration of the Third Caribbean Trade Union Conference held in Grenada in 1981.

We condemn the attacks and aggressions perpetrated upon the people and workers of Nicaragua and demand the immediate cessation of economic, political and military aggression against Nicaragua.

We demand the cessation of support which Yankee imperialism and the oligarchs in the region give to the units of former Somoza guards, who are murdering the Nicaraguan people and causing grave damage to the country's economy, and we demand respect for the borders of Nicaragua by the armed forces and government of Honduras.

We demand the immediate withdrawal of American military forces from the waters of Central America and the Caribbean and from the territory of the region and the cessation of Washington's interventionist policy in the area.

We support the patriotic revolutionary struggle waged by the Salvadoran workers and people, headed by the FMLN-FDR [Farabundo Marti National Liberation Front-Revolutionary Democratic Front], and we demand the halt to the obstacles placed by the American Government in the way of the search for a negotiated political solution to the Central American conflict.

We condemn the puppet government of Honduras and all those lending their territory as a training base for armies and the formation of counterrevolutionary bands for attacking Nicaragua and El Salvador.

In this connection, we support the moves made by the Contadora Group, moves aimed at finding a peaceful, political, negotiated solution to problems in the area.

We condemn the fascist dictatorship of Pinochet and express solidarity with the struggles of the workers and people of Chile.

We express solidarity with the workers and peoples of all countries now waging struggles to achieve economic and social progress.

We condemn the installation of the 572 new American Cruise and Pershing II missiles on West European soil, which takes the American arms race to new heights and gravely endangers world peace and the existence of mankind.

We call on all trade union, workers and people's organizations on the continent and in the world to unite their voices and demand the cessation of the American war-mongering escalation and unlimited respect for the peoples and their right to live and work in peace.

We demand that the financial resources squandered on military buildups be used to improve the economic and social conditions of oppressed peoples in the world.

We support the celebration in Panama, from 13 to 14 December, of a regional trade union conference of solidarity with Central America and the Caribbean.

We appeal for united action on the part of trade union organizations in Latin America and the Caribbean in order to fight together in search of these

objectives indispensable to our survival, irrespective of affiliations and political or religious opinions, joining all our efforts in working for progress, freedom and peace for our workers and peoples.

Within this context, we manifest our support for the holding of the Fourth Trade Union Conference of Unity and Solidarity of Caribbean Workers, to be held on the island of Guadalupe in 1984, constituting a new and important step in the necessary process of unity of trade unions in the region in the fight for their legitimate demands.

Havana, 1 December 1983

11,464

CSO: 3248/272

## GRENADA AFTERMATH ELICITS PLM COVERAGE, REACTION

## Report on Parliamentary Action

St Johns THE STANDARD in English 19 Nov 83 pp 1, 3

[Text]

The House of Representatives of the Parliament of Antigua met on Monday and Tuesday of this week, November 14, 15, to debate a resolution seeking Parliamentary approval for Antigua and Barbuda as a nation, having taken and continuing to take part in the multinational force which invaded Grenada last month, and which remains on the island as a peace-keeping force.

**MOVED BY PRIME MINISTER**

The resolution was moved by Prime Minister Vere Bird Sr. and was passed unanimously. Just about every member of the House who was present made a contribution to the debate, including those members of the Government side like Junior Minister in the Ministry of Education Donald Christian whose voices are seldom ever heard in Parliament.

**SUPPORT UNANIMOUS**

While there was unanimous support for the resolution by both Government and Opposition members, it was interesting to note the difference of approach and outlook expressed by the various speakers. The United States have been blamed heavily for having interfered in the internal affairs of Grenada,

but all Members of the House exonerated the U.S.A. and expressed high praise, appreciation and gratitude for the part played by the USA in rescuing Grenada from the shackles of the murderous Military Regime under Army General Hudson Austin and former Deputy Prime Minister Bernard Coard.

**INTERVENTION TIMELY**

All the Speakers admitted that the intervention by the USA was very timely and that if it had not been done that speedily, the military build-up by Cuba and the Soviets would have escalated to the extent that intervention at a later stage would have been made virtually impossible.

**LAVISH PRAISE FOR U.S.A.**

Opposition Leader Robert Hall was particularly lavish in his praise for the U.S.A. He praised the Americans for the part they continue to play in promoting and protecting FREEDOM in the world. He referred to their role in the 1939-45 World War and how much is owed to the Americans in helping to ensure the defeat of Adolph Hitler and his Allies in that terrible war. He also praised the Americans for their having been chiefly responsible for rebuilding and

restoring all the countries of Western Europe after such havoc and devastation occasioned by that dreadful War.

#### **THATCHER GOV'T CONDEMNED**

Mr. Hall used the occasion to lash out at the British Government for joining others in criticising the U.S.A. for having intervened in Grenada. Mr. Hall charged the British with rank **INGRATITUDE** to the Americans. He reminded the House that it was largely through American assistance that Britain was able to win the war with Argentina in the Falkland Islands last year.

#### **GRENADA NOT KITH AND KIN**

Deputy Prime Minister Lester Bird in agreeing with Mr. Hall's condemnation of the British, remarked that if the people of Grenada had been **WHITE** people, **KITH** and **KIN** to the British, they would have been shoulder to shoulder with the Americans in the struggle to free the people of Grenada from the the **ANARCHISTS**.

#### **TOURISM IN JEOPARDY**

Opposition      Parliamentarian  
Charlesworth Samuel, member for the Constituency of St. Luke in his support of the resolution urged that our support should be based upon a claim that the disturbances in Grenada would adversely affect our **TOURISM** and as such we consider ourselves **DUTY BOUND** to protect what we have. He reminded the House that tourism was the very **LIFEBLOOD** of the economy of Antigua and Barbuda. He further pointed out that it was because Barbados acknowledged the grave threat to her tourist trade why she responded so enthusiastically to assist in restoring **LAW** and **ORDER** to Grenada. Mr. Samuel drove the point soundly **HOME** that **LAW** and **ORDER** was vitally necessary for the tourist trade and that the type of **ANARCHY** that was reigning in Grenada would utterly

destroy the tourist trade in the entire Eastern Caribbean.

#### **GUYANA AND TRINIDAD CONDEMNED**

Mr. Samuel lashed out at Trinidad and Guyana for their condemnation of the invasion. Mr. Samuel stated that Trinidad did not care too much because her oil industry was not in jeopardy by the Grenada crisis. Guyana, he declared, has no tourist trade because people crave to **LEAVE** Guyana, but never to **ENTER**.

#### **SAMUEL'S AMENDMENT APPROVED**

In view of the disastrous effect that the Grenada crisis could cause our tourist trade, Mr. Samuel urged that one of the preambles should specifically say so. He urged an amendment to the resolution to provide for this. The amendment was accepted and eventually approved by the House.

#### **RESOLUTION**

The resolution reads, ignoring the preamble :-

Be it resolved that the House of Representatives support the Government of Antigua and Barbuda in participating in the multinational force which removed the grave threat to the security of Antigua and Barbuda and the other Caribbean countries and which is helping to create the conditions for the free expression of the will of the Grenadian people:

And be it further resolved that this Honourable House records its profound gratitude to the United States of America for their timely and invaluable support in the implementation of this important and vital rescue operation:

And be it also resolved that copies of this resolution be forwarded to the Governments of the United States of America, Jamaica, Barbados and the other member Governments of the Organisation of Eastern Caribbean States.

## Threat of Cuban Reprisal

St Johns THE STANDARD in English 19 Nov 83 p 2

[Editorial]

[Text]

The invasion of Grenada by the U.S.A. assisted by the seven Caribbean nations of Antigua and Barbuda, Barbados, Dominica, Jamaica, St. Kitts-Nevis, St. Lucia, and St. Vincent, achieved not only the rescue of the country and people from the murderous Military Government of Hudson Austin and Bernard Coard, but the capture and slaughter of many Cubans and Soviets. Large quantities of ammunition including very sophisticated weaponry have been captured.

The unbelieving might dismiss these claims of millions of rounds of ammunition found in the custody both of the Grenadian Army and of the Cubans and Soviets as mere propaganda, but there is incontrovertible evidence that the stockpile of weaponry in Grenada, a poor country with a population of a mere 110,000, was far in excess of what Grenada could ever need for its own defence. It is clear that Grenada was being prepared as a LAUNCH PAD from which there could be military attack upon neighbouring islands.

The Military Government was defeated with both Coard and Austin held as prisoners. Governor General Scoon has set up a 12-man civilian Council comprised mainly of professionals to form an interim Government and to prepare for General Elections in the shortest possible time. On the orders of Governor General Scoon, the Ambassadors of Cuba, the Soviet Union, and Libya have been asked OUT of Grenada.

The military success of the invasion of Grenada has evidently dealt a severe blow to the plans of Cuba and the Soviets for adventurism and expansionism in the string of islands of the East Caribbean chain, most of which have recently become Independent, and are POOR and STRUGGLING.

One of the greatest mistakes we could ever make is to think that Cuba in particular, is going to accept this defeat and frustration of its ambitions lightly. The actual number of Cuban lives lost during the invasion of Grenada is not known, but estimates have placed it as high as a hundred and fifty. With such heavy loss of life and also of weaponry, it should be expected that Cuba will seek revenge not only upon the USA its ARCH ENEMY, but also upon each of the seven Caribbean nations that assisted with the Grenada invasion. Every one of these countries should expect reprisal of one form or another, motivated and orchestrated from Cuba.

The need for increased security becomes immediately obvious, especially at our points of entry into the islands, whether by sea or air. International Airports like Coolidge Antigua, and Grantley Adams, Barbados are in particular danger. Antigua with its countless natural harbours is an easy target of destruction. It is possible for infiltrators to go to any of these islands disguised under the label of a wide variety of personnel. Cargo labelled and declared to be BIBLES might turn out to be BOMBS.

The need for greater vigilance cannot be overstressed and all of these seven Caribbean nations that helped in the invasion of Grenada and the flushing out of the Cubans, must bear this constantly in mind. The level of security maintained in Jamaica and Barbados is already

reasonably high, yet it must be stepped up. But in most of the other countries, including Antigua, our level of security is dismally low. With such poverty and desperate need prevailing in all of these islands, it is not unlikely that security cannot be given the sort of priority it deserves.

For example, in Antigua we do not have a Coast Guard Service and boats of all kinds enter our shores without ever being detected by the Police Launch. Also the Police Launch is sometimes unable to carry out any patrol because there is no diesel to put in the boat. This is no fairy tale, but gospel truth. Diesel is rationed to the boat so whenever the ration expires, the boat is anchored until its next ration.

In Antigua we are not even equipped to rescue fishermen in trouble at sea. The position in each of the OECS is just about the same. Now, when it is remembered that it was under Article 8 of the OECS Treaty that the invasion of Grenada was launched, it seems laughable that there should be such paucity of security in each of these countries.

The need for security and vigilance in the light of the Grenada crisis now comes to light. The countries involved lack the financial and technical capacity adequately equip themselves for the task. This newspaper urges that this matter be given serious and urgent consideration.

#### Comment on Communist Plots

St Johns THE STANDARD in English 12 Nov 83 pp 2, 3

[From the "Observation Post" column by Julius]

[Excerpts]

A few days ago, there was a report on the radio that in 1976, Maurice Bishop, Bernard Coard, George Odum, Tim Hector, and other known Marxist-Leninists in the region, gathered on a small island, Rat Island, off St. Lucia's shores, to plan a timetable for leftist takeovers in the Caribbean, by violent means if necessary. Let me hasten to say that it is irrelevant whether these plotters actually did meet on Rat Island, in 1976. What is more important is that they certainly met, somewhere and sometime, to chart their evil timetable. And I'm sure these meetings continued by correspondence, at educational conferences, and at other times.

These leftists, having lapped up a foreign ideology, felt that this ideology should be forced upon their Caribbean peoples, in full, by whatever means. It mattered not that we gave no quarter, or will never give any quarter to this foreign ideology called Communism, conveniently camouflaged by themselves between all kinds of "isms". It mattered

not that this system had no use for the four basic principles of true democracy, which we all hold dear to our hearts, i.e. freedom of speech, freedom of the press, respect for and complete adherence to human rights, and full, free and fair elections every five years. No, what mattered to this minuscule gang of leftists, is that they, in their distorted wisdom, felt that we should have this Communist thing, and come hell or high water, we must have it.

Oh, I'm the first to admit that Western Democracy is not perfect; it has its shortcomings; but of all the systems in the world, this by far has proven to be best. And I've heard all the arguments put forward for the Utopian ideal of Marxism, but they do not take into account the different ambitions and initiatives of each man, not the fact that man is basically imperfect. And I know of Socialism, which with Democratic Capitalism stresses the rights of each person to equal health, education and welfare benefits, except

that with Capitalism it depends more on the cash flow. Perhaps this is why we in the English Caribbean and Americas are now espousing Democratic Socialism, which seeks to combine the best ideals of the two, and which is acceptable to the people. But oh, we are sick and tired of all these isms and slogans and shibboleths, and we just yearn for all these plotters to respect the wishes of the people, and to respect our hard won freedoms.

Why do these people feel that they have to go and borrow some foreign ideology, and foist it upon us. Let me say also that, now that we are a free and independent people, we need not follow the same exact Westminster parliamentary systems that we inherited from our colonial enslavers. We can fashion our own variation to this formula, but we have made it clear that we want the same framework to apply, i.e., to repeat, -freedom of speech, freedom of the press, respect for and complete adherence to human rights, and full, free and fair elections every five years.

**Perhaps now is the time, Antiguans, to think seriously about the Bird and Walter Syndrome. Birdism was fine in the days of The Plantocracy, but in our own**

**particular context, it is no longer applicable. It breeds corruption and misgovernment. Perhaps now is the time to push for a constitutional amendment which stipulates, for example, that one person cannot be Prime Minister for more than five years, (and that person cannot run for election again under another ten years.) Or perhaps the two major democratic parties should alternate in office every five years. Or perhaps it is time for a change in our electoral system, because for example, in the 1976 election the losing party gained more votes per man, but lost the government because they had minority of parliamentary seats. Or some other change should be implemented as a solution to our particular problem. You get what I mean. There would have to be a national debate and a referendum, of course.**

Antiguans, whether you are ALP, PLM, or UPM, it is time to put our heads together to ensure our future generations are guarded against these leftists, anarchists and militarists. Remember it was Gairyism that brought this upon the Grenadians.



## PLM OFFICIAL DISCUSSES, REJECTS POLITICAL UNITY SCHEME

St Johns THE STANDARD in English 12 Nov 83 p 3

[Text]

At a PLM Public Meeting held in Ebenezer-Jennings two weeks ago, PLM Deputy Political Leader and M.P. for the Constituency of St. Luke, CLEARED THE AIR on the matter of possible COOPERATION or MERGER of the PLM with other political parties or groups in the Nation.

**STRANGE AND HYPOCRITICAL**

Mr. Samuel described as STRANGE and HYPOCRITICAL for a number of persons who were until quite recently ardent and enthusiastic members and supporters of the PLM, and who chose to leave the PLM denouncing it as "NO GOOD", "CORRUPT", and "RUN-DOWN ICECREAM", and form a new political party the UPM, and then for those same people only a few months afterwards to be BAWLING CROCODILE TEARS, urging that there be a UNITED FRONT to contest the forthcoming General Elections.

**MISSION OF DESTRUCTION  
OF PLM**

Mr. Samuel asked where had their SENSES gone when, instead of choosing to bolster and nourish the PLM, the very Party many of them claimed that they helped to build, they chose to SMASH the Party spreading every conceivable

manner of falsehood and EVIL deliberately designed and orchestrated to destroy the PLM and all those who chose to remain LOYAL to the PLM.

**FREE TO RETURN TO PLM**

Mr. Samuel was quick to acknowledge that DIVISION DESTINES DEFEAT and that a coming together is necessary if victory at the polls is to be achieved. He told the audience that this COMING TOGETHER could be very easy, and all that would be necessary would be for those who have left the PLM to RETURN. He assured them WELCOME with WIDE OPEN ARMS.

**PLM DEMOCRATIC**

He maintained that the PLM as a political PARTY still stands for and believes in ALL of the principles that gave birth to it, and has not deviated in any way from them. He assured his hearers that the PLM still believes in genuine DEMOCRACY and that this remains the HALL MARK of all decisions WITHIN the Party.

**CONSTITUTION SUPREME**

Mr. Samuel pointed out that the Party's Constitution must be that which governs the Party at all times.

He stressed that it is at the levels of the Party Branch, the General Council, and the Party's Convention that decisions are taken and that the Central Executive runs the day-to-day affairs of the Party. He assured his hearers that the PLM was no ONE-MAN-SHOW and that the Leader Robert Hall is fully controlled by the PLM Executive.

#### **ALERT AND DILIGENT**

Mr. Samuel urged his hearers to be alert and diligent and to always make sure of the principles in which they believe and for which they stand. He warned them against becoming merely attached to and captivated by any political CHAMPION who ever such a person happens to be.

#### **PLM POLICIES AND PROGRAMMES**

He insisted that the PLM as a political party stands for POLICIES and PROGRAMMES all geared to improve and advance LIVING STANDARDS of all of our citizens, but particularly for the common man or woman.

#### **UPM ALLEGATIONS REFUTED**

Mr. Samuel referred to certain allegations made by the UPM against the PLM and strongly refuted them. On the question of the PLM being a MIDDLE CLASS Party, Mr. Samuel outlined that CLASS had absolutely no merit nor substance in the PLM. He said that the PLM was a Party for ALL CLASSES of, whosoever is prepared to abide by the CONSTITUTION and DISCIPLINE of the Party.

#### **PLM SUPPORT TRADE UNIONISM**

Mr. Samuel was particularly outspoken against the damnable allegation that the PLM was ANTI-WORKER and ANTI-TRADE UNION. Mr. Samuel assured his hearers that the PLM is a profound believer in TRADE UNIONISM and recommends to all its members and supporters that they join the Trade Union of their choice. He pointed out that the Employers' Federation demonstrated a coming together of EMPLOYERS and that any worker outside of a Trade Union has very little HOPE.

CSO: 3298/288

## PLM LEADER, ORGAN SLAM ATTACK FROM ACLM'S HECTOR

## STANDARD's Review of Issue

St Johns THE STANDARD in English 26 Nov 83 pp 1, 3

[Text]

PLM Political Leader and Hon. Leader of the Opposition Robert Hall was made the subject of a vicious attack by Leonard (Tim) Hector, Leader of the Marxist Afro Caribbean Liberation Movement (ACLM) at a public meeting held last week Thursday night Nov.17, at ACLM premises on Tanner Street named as George Weston House.

**HALL A VETERAN POLITICIAN**

As a veteran politician of over 25 years' experience, Mr. Hall is not in any way terrified nor intimidated by attacks from political platforms. He firmly and boldly withstood all the attacks from the Antigua Labour Party even when persons like George Walter, then an ALP STALWART AND General Secretary of the Antigua Trades and Labour Union, led what was described as a FUNERAL CEREMONY with a COFFIN all around this Island, claiming that Hall was being BURIED following his defeat at the polls in the General Election of 1965.

**HALL ACCEPTED DEFEAT  
IN 1969**

Less than three years later the same George Walter joined Hall in fighting V.C. Bird after Walter and

Bird had fallen out, and Bird had fired him from the AT&LU. Not very long after that, the same George Walter by subtle contrivance of the famous "90 VOTES FROM ANTIGUA WORKERS' UNION" at a PLM Convention held at the Villa School, snatched the leadership of the PLM from Hall, who accepted the defeat gracefully and with dignity.

**HALL REMAINED FAITHFUL**

Hall, though an elected Member of Parliament at the time while George Walter was not, He remained loyal and steadfast in the PLM, saw the PLM form the Government in 1971. He remained loyal and steadfast in the PLM, saw the PLM lost power in 1976, yet remained faithful to the PLM. When in 1979 he was chosen to become LEADER of the PLM as a result of the imprisonment of George Walter who had become disqualified from candidacy at the then forthcoming General Elections, Hall rose to the challenge, braving all the devious intrigues and attacks directed at him from forces both WITHIN and WITHOUT the Party.

**HALL NEVER INTIMIDATED**

Even when persons directed and led by the same George Walter spearheaded a COUP within the

PLM abandoning the PLM's Constitution and formed what they described as an INTERIM COMMITTEE and eventually the UPM, Robert Hall was never terrified nor intimidated.

#### **HALL NOT AFRAID OF HECTOR**

The rehearsal of all of these facts is merely to further prove to our readers that attacks from political platforms in this country have never succeeded in frightening veteran politician Robert Hall. If Hall has firmly withstood far more powerful attacks in the past, it is foolish to expect him to be unduly shaken or perturbed by attacks from Tim Hector who himself, like George Walter, was once a member of PLM, but who left the Party when a majority of other members felt that some one else should be LEADER.

#### **HALL PRAISED USA**

The attack on Robert Hall stemmed mainly from what he had said in Parliament during debate of the resolution seeking support for the invasion of Grenada by forces of the U.S.A. assisted by forces from seven Caribbean nations, including Antigua. Throughout his debate, Mr. Hall was extremely LAVISH in his support and praise for the U.S.A., and was highly critical of the Cubans and the Soviets and of the Communist system as a whole.

#### **HECTOR PEEVED**

Tim Hector was hardly ever mentioned by Hall in his debate. But Hector seems to have taken Hall's praise for the Americans and criticism of the Cubans and Soviets as an attack on Tim Hector himself and also on his ACLM.

#### **TWO DARING LIES**

The crux of Hector's attack of Hall is founded upon two well CALCULATED LIES skilfully put together by Hector himself. The first states that Hall went to an official of the U.S. Embassy and succeeded in begging MONEY to help publish the STANDARD, weekly publication of the PLM. The second lie states that

Hall attended a party, with Prime Minister Bird in attendance, and became so DRUNK that he boasted of the MONEYS that he was promised by the U.S. Embassy Official, whereupon Bird got in touch with the U.S. Embassy Official and succeeded in blocking the money promised to Robert Hall for helping to publish the STANDARD newspaper.

#### **ACCESS TO BIG MONEY**

Neither this newspaper nor Mr. Hall is prepared to enter into any competition with Mr. Hector nor with the ACLM to prove who can manufacture or contrive the most offensive and perhaps most amusing scandals. Mr. Hector seemingly has access to vast resources of money which enable him to enrich the Courts and others of this country by as much as \$2,000.00 on the spot, for his irresponsible and lying utterances.

#### **CATEGORICALLY DENIAL**

The PLM as a responsible political Party in this country, feels constrained to place on record a CATEGORICAL DENIAL of Hector's allegations. Mr. Hall declares that neither he nor any member of the PLM has ever been to any Official or personnel of the U.S. Embassy to ask for money of any kind, for any purpose whatever. This is easily verifiable from the Office of the U.S. Embassy in St. John's. This allegation is a downright unmitigated LIE.

#### **NEVER A DRUNKARD**

Mr. Hall further declares that he has not been at any Party in the presence of Prime Minister Bird or any of his Ministers for a very long time, and that he has never been a LOVER of parties. When it comes to being DRUNK Mr. Hall is proud to declare that he is not, has never been, and will never be a consumer of STRONG DRINK.

## HECTOR BELOW ZERO LINE

Hector's attack on Robert Hall and on the PLM evidently springs from FRUSTRATION. It is obvious that what-

ever slim or remote chances of popularity he may have had with the ELECTORATE of Antigua and Barbuda, have been whittled down below the ZERO LINE as a result of the events in Grenada.

## Hall's Response

St Johns THE STANDARD in English 26 Nov 83 p 1

[Text]

Reliable reports reaching me state that ACLM Leader Mr. Leonard (Tim) Hector at a public meeting last week Thursday night November 17, told his listeners that I Robert Hall as Leader of my Party the PLM, had gone to an Official of the U.S. Embassy in St. John's to beg money to help publish the Standard newspaper, a PLM weekly publication, and also that I had got myself DRUNK at a party in the presence of Prime Minister Vere Bird Sr. and had been boasting to him of the moneys I had received from the U.S. Embassy Official.

I wish to deny categorically and unequivocally both of the allegations. The PLM as a political party does indeed need MONEY. Perhaps Mr. Hector's ACLM has inexhaustible resources of funding, but this is not so with the PLM. We do need money both for general Party Work and also for the Standard Newspaper.

Our source of funds is by the voluntary contributions from members and sup-

porters of the PLM. Our newspaper the STANDARD is operated purely as a BUSINESS enterprise and is kept as a going concern mainly by advertisers who patronise us and by readers of our newspaper. We are indeed very grateful for the patronage we have been receiving so far both from Advertisers and from Readers, and we still solicit even further support from these two sources.

The allegation of my being DRUNK AT A PARTY WITH Prime Minister Bird is such downright LIE and NONSENSE that it is hardly worth replying to. It only shows that Mr. Tim Hector has little respect for the mentality of his audience at public meetings.

Hector's credibility in this country is already at a low ebb. These ridiculously false and damnable utterances of his can serve only to further erode whatever remains of Hector's credibility in this country.

CSO: 3298/289

## PLM ORGAN HITS GOVERNMENT OVER NATIONAL DEBT SECRECY

St Johns THE STANDARD in English 12 Nov 83 p 2

[Editorial]

[Text]

There have been much concern and discussion of late concerning the National Debt of Antigua and Barbuda. The issue is raised in Parliament by the Opposition at every meeting, both in the House of Representatives and in the Senate. It has formed the substance of countless Public Meetings held by political parties in just about every village and settlement of Antigua. The newspapers too, have made capital of the subject.

Every time the issue is raised, at whatever forum, whether it be at Parliament, public meeting, newspaper, or elsewhere, the primary concern is the quantum of the National Debt. The ALP Government runs the finances of this country so casually and haphazardly, that it cannot tell at any time, the exact size of the National Debt. This was confessed in Parliament recently by none other than the Minister of Finance himself. He admitted that because of continued borrowings and reschedulings by Government, and also because of the method of book-keeping and accounting practised by the Government Treasury, it could not be stated at any time, with any appreciable degree of accuracy, the size of the National Debt.

This admission of lack of knowledge on the part of the Minister of Finance of the quantum of the National Debt, reflects terribly on the competence and trustworthiness of Antigua and Barbuda as a Nation. This lack of knowledge has given rise to all sorts of GUESSIMATES of the National Debt, some placing it as high as one billion dollars.

The National Debt of a Country comprises debts owed by a Central Government both INTERNALLY, (owing to persons resident in the Country concerned) and EXTERNALLY, (owing to foreign creditors). All interest on the National Debt has to be provided by TAXATION, and the management of the National Debt constitutes an important instrument of government monetary policy.

It is both reasonable and right therefore for all individuals and interest-groups in a Country to be very concerned, and to be even ANXIOUS about the National Debt, and to inquire as to its size, and as to whether repayment schedules are being honoured.

But the attitude of the ALP Government toward the genuine concern and interest of its citizens on matters pertaining to the National Debt, is one of resentment and hostility. Prime Minister Vere Bird in particular, has demonstrated a distinctly backward attitude on the matter. Instead

of obtaining from the proper source the correct figures of the National Debt, and reading them out LOUD for the nation to hear, his response to the expressed desire of all those who want to know the size of our National Debt, is a barrage of DIATRIBE and INVECTIVE directed against them. And what makes it even worse is that the facilities of ABS-TV, operated and financed by the taxpayers of Antigua and Barbuda, should be used as the medium to propagate such diatribe and invective against inquiring citizens.

Among the main reasons which have prompted questions concerning our National Debt is the fact that Brazil, the South American Country having a \$90-billion National Debt, is supposed to be making a huge loan to Antigua and Barbuda to finance the famous Dieppe Bay Project.

Another main reason for the great concern pertaining to the National Debt at this time is the fact that Antigua and Barbuda as a Nation, has recently become a full-fledged member of the International Monetary Fund (IMF) and of the World Bank. It is both reasonable and right that at least on the occasion of our formal accession to these prestigious financial bodies, that the size of our National Debt be ascertained and disclosed for our people to know.

The ALP Government boasts that it has nothing to hide. If indeed this is so, then why all this secrecy concerning the size of the National Debt? Why all this bitterness and hostility in response to questions pertaining to the National Debt?

Every Country has a National Debt. It is true that mismanagement, inefficiency and incompetence have inflated the National Debt of some countries to shamefully large proportions. Is it this fact that the ALP Government wishes to hide?

But no amount of hiding will reduce National Debt. Only purposeful planning yielding genuine productivity will effect this. We call upon Government to stop being EVASIVE and ABUSIVE on matters of the National Debt. The people ask, because they want to know; and indeed they deserve to know.

Let the TRUE FIGURE of the National Debt be known NOW.

CSO: 3298/289

## WHEAT PRODUCTION, EXPORT FIGURES FOR 1984 REACH HIGH LEVELS

Buenos Aires SOMOS in Spanish 15 Dec 83 pp 24-28

[Excerpts] Initial estimates worked out by technical agencies indicate that the 1983-1984 season will yield a total grain production of some 40 million tons. With somewhat less wheat but with an increase in the so-called heavy grains, the figure quoted takes on special relevance because an exportable surplus of 28 to 30 tons is expected, similar to that certainly to be recorded this year. In addition, such a volume means foreign exchange income of approximately \$6 billion to \$6.4 billion.

The level attained by the agricultural sector is the product of a long period of experiments and the use of improved seed. This is something on which all agree. "We have reached a ceiling from which it would be difficult to descend," the producers themselves say. And in fact, the goal attained came following a period of nearly 30 years of uninterrupted work beginning in about 1953. That year, the sector began to receive strong incentives, fundamentally based on the possibility of importing tractors, accessible credits and special promotions encouraging seeding and cultivation of the land. As a result, the area planted was recovered, new technology was incorporated, hybrid corn appeared, resulting in a veritable revolution in crop yields, and INTA [National Institute of Agricultural-Livestock Technology] and the CREA [Regional Experimentation Centers] groups were formed, organizations also working to improve seed. "As a result, today we have a true technological package available to agriculture," spokesmen from the Office of Secretary of Agriculture and Livestock Raising said.

## Numbers

With respect to fine grains (wheat), it is estimated that the area planted this season amounts to about 7.1 million hectares and that production will total 11.5-12 million tons, compared with 15.1 million tons for the 1982-1983 period. Yield will be about 1,900 kilograms per hectare, domestic consumption some 4.5 million tons and the exportable surplus 8.2 million tons. Based on an export value of \$160 a ton FOB, foreign exchange income would be on the order of \$1.3 billion.

Nevertheless, the final word on small grain production will come from the weather. While rainfall is anxiously awaited now, one must not fail to



recognize that the factor of climate has affected the smaller area planted in wheat. For example, in northeastern Buenos Aires Province, there was a scarcity of rain in August, September and the first half of October, although the same was not true in the southern zone, where the crop enjoyed more precipitation, even compared with last year. In recent days, up to 35 mm of rain have been received in the Pehuajo area and a little less in Pergamino.

Regarding heavier grains, prospects look better. Based on the first official estimates, a total production of 23.7 million tons is expected. This is the result of a large increase in the area planted. Soybeans cover 2.4 million hectares, 15 percent more than last season and yielding a production of an estimated 4.5 million tons. Corn is planted on 3.4 million hectares, with an anticipated yield of 3,000 kilograms a hectare and production of 8.9 million tons. Sorghum will have covered 2.8 million hectares, with an anticipated yield of 3,200 kilograms a hectare and a production of 8.3 million tons. Finally, areas planted in sunflowers total about 2 million hectares.

As indicated, these results show spectacular growth, to which improved technical capabilities of producers and intensive use of fertilizers contributed. This year alone, 38 percent more was used compared with 1982, and in the case of insecticides, the increase was 113 percent. During the 1983-1984 season, 897,500 hectares of wheat were fertilized, representing an increase of 58.1 percent compared with the preceding farm season. Some 24,000 tons of urea were used, along with 60,000 tons of diamonic phosphates and 2,300 tons of anhydrous ammonia.

There was also a major increase in farm machinery investments, 123 percent over last year. The Argentine Tractor Manufacturers Association (AFAT) recently reported that at the close of 11 months of the year, it had sold 7,405 tractors and that it hopes to end the year with over 8,000 sold, representing a considerable increase over the 3,800 retailed in 1982.

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## AGRICULTURE SECRETARY ANNOUNCES NEW WHEAT SUPPORT PRICE

Buenos Aires SOMOS in Spanish 15 Dec 83 p 27

[Excerpts] On Monday, 12 December, the same day he took office, Secretary of Agriculture Lucio Reca announced two measures that will immediately affect grain exports and that constitute an attempt to compensate for the low international price of grain: The level of wheat exports withheld will be reduced from 25 to 18 percent and there will be a 17-percent increase in the support price, which raised the per-quintal price to 220 Argentine pesos.

Both decisions were made public at a meeting in which Reco swore in Norberto Pasini as undersecretary of agriculture and Hector Molinuevo as undersecretary of livestock raising and announced that there will be an intervention of the National Grain and Meat Boards and the National Institute of Agricultural Technology. For this task, the secretary named Alberto Ferrari Etcheberry, Nicolas Lorenzo and Carlos Lopez Saubidet respectively.

In statements to MERCADO, the new official spoke of the policy to be applied in his sphere of action. He said that for the time being, there will be withholdings, but that they will be gradually reduced and that the effective rate of exchange will be in keeping with the profitability required by the sector. These announcements, which complement the objectives of the agricultural policy as set forth by Radical experts, are aimed at giving the sector a predominant role in the economic recovery and as a genuine source of foreign exchange.

In the talk with Reca, he emphasized the success being achieved with the 1983-1984 harvest. "It is the product of the combined use of advanced technology and improved seed, both of which have led to large crop yields," he said.

Reca also attributes an important role to the technical and specialized agencies of the private and government sector, such as INTA [National Institute of Agricultural-Livestock Technology], which, after years of experimentation, are making an important contribution, particularly with respect to the development of genetic materials.

Regarding the policy itself, the secretary of agriculture said: "It will be characterized by two complementary aspects, like the two blades of a scissors. The first is profitability and the second technology. Without the former, there can be no correct and efficient use of technology, and vice versa," he said.

"There will be withholding," he explained, "but that withholding will be made compatible with profitability and the use of technology." In that sense, Reca admitted that for the time being, it is not possible to even think of eliminating that recourse totally. "The idea is to gradually do away with it, insofar as the situation of the foreign sector of the economy and the public accounts deficit recover."

Whatever the case, the decrease will be balanced by other tax mechanisms. What officials in the Office of the Secretary of Agriculture seek is to prevent any tax applied to the land from having an undesirable effect on production, since "export taxes affect the price received by the producer, while the tax applied to the land is a fixed factor."

Asked about the exchange treatment the sector will receive, Reca maintained that "the effective rate of exchange will be high and compatible with the profitability of the sector. For that reason," he added. "we are going to define the instruments and objectives for more efficient channeling of our grain abroad."

The official admitted that current conditions on the world grain market are not favorable. "Everything seems to indicate that the current wheat harvest will be negotiated on an international market whose prices are comparable to those of the preceding season. But we must not forget that Argentina has always been a good exporter of its grain and it may strike good bargains on this occasion."

#### Argentine Exports

For Jose Angel Martilliti, director of the Institute of Economic Research of the UADE [Argentine Business University], the international marketing of Argentine grain "will be highly competitive, not only because of the United States and Australia, but also because of the European Common Market." Whatever the case, 1983 will be a year of large-volume operations. Based on official figures, shipments of grain and byproducts totaled 24,246,674 tons by mid November, of which the Soviet Union has purchased 9,203,505 tons or 37.9 percent of the total. For the second half of November and December, it is hoped that that Asian market will complete the purchase of an additional 3 million tons. Of the 9,203,505 tons, there are 4,461,694 tons of wheat, 2,022,467 tons of corn, 595,858 tons of soybeans, 25,200 tons of oats and 2,098,285 tons of millet. The second-ranking purchaser is China, with 2,994,000 tons, followed by Iran with 1.83 million tons and Spain with 1 million. South Africa also makes its appearance this year as an important market, buying 783,000 tons of grain, including 657,000 tons of corn. A contract has just been signed for about 500,000 tons of wheat.

Horacio Fernandez Harper, president of Molinos Concepcion, gave MERCADO other figures having to do with anticipated purchases and including grain from this season. "We estimate that there are already a number of agreements with Russia for 1 million tons of wheat and some 500,000 tons of grain which the Junta sold to India. Another 150,000 tons of wheat have been sold to Brazil and it is likely that another 3 million tons will be sold to the USSR, in

addition to sums covered by agreements. This is all that has been marketed with respect to volumes available at this time of the year."

The price issue obviously has an effect. Arturo Santamarina, coordinator of economic information for AACREA [Argentine Association of Regional Consortiums of Agricultural Research], said: "Only during the first week of November were prices for available wheat adequate. The combined interest of the milling industry and exports raised prices to 180 pesos a quintal. Then throughout November, values stabilized at around 160 pesos. As a result of these alternatives, the average price for the month was 165.11 pesos, which in real terms reflects a 13-percent drop compared with the October price and a 28-percent drop compared with the historical average. Since 1 December, the Grain Board has set the production price for the northern region of the country at 187.50 pesos, which is a reference price for the remaining regions. If that value is maintained, it would be the lowest for the month of December since 1960."

The new officials in the Office of Secretary of Agriculture responded on Monday when Lucio Rea took office. It was decided to reduce wheat export withholding from 25 to 18 percent and to raise the support price to 220 pesos a quintal. The remaining questions, which will certainly constitute a subject of interest for current authorities, have to do with the study of schemes to make up for the lack of financing for grain exports, which obviously constitutes a major impediment compared with other competitors.

This problem stems from the deficit in public coffers and the obstacle to the availability of foreign exchange constituted by the foreign debt. Certain experts see the "triangulation" of the grain trade as a temporary solution to the problem of financing. Equally important -- if the current harvest is to be doubled in a few years -- is expansion of the storage, transport and port infrastructure. The problem would mainly affect certain railroads and port facilities considered unsuitable for the fluid channeling of grain. This is true because not having adequate means in this area of the economy makes goods more expensive and stands in the way of keeping foreign markets. But the basic issue is that this aspect of the infrastructure is linked to the country's concrete possibilities of continuing to increase production levels.

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CSO: 3348/159

## OPPOSITION FNM CONVENTION HEARS ATTACKS ON PLP

## Payment for ZNS Coverage

Nassau THE TRIBUNE in English 25 Nov 83 p 1

[Article by Marcia Bethell]

[Excerpt]

FREE NATIONAL Movement Convention Chairman George Wilson said today his party has met the demands of the Bahamas Broadcasting Corporation and paid \$27,000 a week in advance for live coverage of the opposition party's convention, scheduled to open Wednesday, November 30.

Mr Wilson said his party was not able to negotiate a reduction in the cost of air time, nor was the FNM successful in negotiating easier terms for payment - part payment now

with the remainder later. He said the governing PLP were not required to make an advance payment when the government-controlled radio and television station covered their convention last month.

"This is the argument that we are concerned with. We would like to be assured that the PLP were charged by the same rate as the FNM and that the same rules placed on us were placed on them. This is where we have a problem," Mr Wilson said.

He also said that although the FNM paid the Broadcasting Corporation's charges within the time demanded, the matter will not be dropped.

"This will be discussed at the convention and the party will have to decide what action will be taken against ZNS. Other than this the convention will open on schedule and we are expecting about 300 official delegates, twice this number in observing delegates, as well as hundreds of supporters."

## Demand for ZNS Refund

Nassau THE TRIBUNE in English 1 Dec 83 pp 1, 14

[Article by Anthony Forbes]

[Excerpt] FNM Treasurer and Deputy Leader Orville Turnquest last night criticised ZNS management for the poor audio reception on TV-13 of the opening of the party's convention and said he would negotiate this morning with ZNS the refund of the \$27,000 in borrowed money that the FNM had to pay for air time.

An irate Mr Turnquest, MP for Montagu, repeated a statement made in recent months that the people who control ZNS have "dirty doggish ways," and said that one of the first things the FNM will straighten out when it takes over the Government will be ZNS.

The last speaker on the opening night of the three-day convention being held at the Balmoral Beach Hotel, Mr Turnquest did not speak to the crowd of over 1,000 from his prepared text.

Television viewers complained that while they had fairly good video reception over TV-13 last night, the audio reception was deplorable, with the voices of speakers barely audible...and at times not audible at all.

### Senate Leader's Criticism

Nassau THE TRIBUNE in English 1 Dec 83 pp 1, 4

[Article by Anthony Forbes]

[Text]

OPPOSITION Senate Leader J Henry Bostwick, who promised at a Free National Movement rally several weeks ago to say more about Agriculture Minister George Smith, made several references to him in an address critical of Government leaders at the start of the party's three-day convention last night.

Mr Bostwick also denounced Prime Minister Sir Lynden Pindling, Foreign Minister and Attorney General Paul Adderley and Senator Norris Carroll, a columnist with the PLP's weekly newspaper.

The Opposition Senator said that the smiles on the faces of convention delegates as he strode to the podium last night meant that they were expecting him to live up to his promise and he had no intention of disappointing them.

Mr Bostwick did not hand in his speech to ZNS to be checked before being delivered over TV-13 and ZNS Radio as did other speakers, including FNM Chairman Cecil Wallace Whitfield.

Mr Bostwick said that the UBP, which preceded the PLP, lost by the ballot and disappeared quietly from the scene but he was worried about the PLP Government, led by Prime Minister Pindling, which has repeatedly said that the country belongs to the PLP.

"It makes one wonder what will their posture be when the people have decided via the ballot that they no longer wish the PLP to govern," he said.

"Will they play the game by the rules or will they hang tenaciously and doggedly to this power which has made them so hungry and so mad?"

He also asked whether the PLP will hold on to the Bahamian people regardless of their wishes, or whether the FNM will have to take it from them (the PLP).

He said that the people are saying loud and clear that they have had enough of the PLP in the same way the PLP said in the early 1960s that they had enough of the UBP.

He said that, was what the Prime Minister was saying when as Opposition leader he threw the Mace out of the window and the same kind of oppression, denial of basic rights, human rights, human entitlements that he fought in the UBP government, will spur true patriotic Bahamians to rid the country of its new despots.

He said that since the June, 1982 general elections, the Prime Minister has done nothing but aggravate the division elections create and the country needs healing balm. But, instead, he claimed, the Prime Minister continues "to bleed, anger and frustrate" the opposition.

"You have changed our traditional foreign alignment by placing us in the camp opposed to the USA (and this includes Communist Cuba)," he said, adding that the Prime Minister's ability to govern

fairly and impartially has been called into question.

He accused the Prime Minister of compounding these wrongs by publicly declaring that he will destroy the official opposition.

Mr Bostwick wanted to know if there was any reason why the Prime Minister should continue to be "our Prime Minister," pointing out that in any other Westminster parliamentary system, the people would have been called upon long ago to express their opinion on the "radical new postures" he has taken over the past 18 months.

He noted that Prime Minister Edward Seaga of Jamaica, who was elected by an even stronger mandate than the PLP, had taken two radical positions in quick succession - supporting the invasion of Grenada and devaluing his country's currency in the face of their economic crisis.

"And so he has gone back to the people for their endorsement or rejection of his government," he said.

Calling on the Prime Minister to play the game by the rules, Mr Bostwick said that he owes the Bahamian people the right to choose again quickly between the PLP brand of government and the FNM alternative.

"Call an election," he said. "Don't tell us we've only just had an election because the campaign on both sides has never stopped nor have you allowed the election wounds to heal."

## PLP Response to Whitfield

Nassau THE TRIBUNE in English 2 Dec 83 p 1

[Text] THE NATIONAL chairman of the ruling Progressive Liberal Party declared Thursday that FNM chairman Cecil Wallace Whitfield's call Wednesday night for a campaign of civil disobedience and street marches by the official opposition was a "bold criminal action."

Reacting strongly to the remarks by his FNM counterpart, Mr Brenville Hanna called on Bahamians to condemn and reject the FNM's "dangerous and unlawful programme," and to join the PLP in fostering peace, love and progress within the country.

"Mr Cecil Wallace-Whitfield, in his address to the FNM convention last night called upon his party to launch a programme of civil disobedience in the country and take to marching in the streets," said Mr Hanna, the second ranking PLP to take issue with remarks by the FNM chairman.

"He also called upon all true trade unionists in this nation to support these programmes of civil disobedience and marching in the streets," Mr Hanna added.

As chairman of the PLP, Mr Hanna said, "I wish to state that it is totally irresponsible,

reckless and unlawful for Mr Whitfield to call for civil disobedience by his party."

"I have no argument with people marching in the streets in pursuance of their rights provided it is done in accordance with the law," Mr Hanna declared. "But to call a people to civil disobedience is bold criminal action."

In his address opening the first night of the Free National Movement's three-day convention at the Balmoral Beach Hotel, Mr Whitfield said the FNM may have to take to marching in the streets and a programme of civil disobedience in a militant struggle against PLP oppression.

He told over 1,000 cheering supporters in the hotel's La Chandelle Ballroom that faced with the Government's strangle-hold on radio and television, "the FNM needs to become more active and more militant in our opposition to the degradation by which our people are oppressed."

The MP for Pine Ridge, Grand Bahama, also called upon "all true trade unionists" to support the programmes "to protect the workers of this country."

"We in this party may yet be called upon to demonstrate to preserve our freedoms," Mr Whitfield told convention delegates. "We may have to take to marching in the streets and to a programme of civil disobedience to protest against victimization and discrimination practised against our fellow citizens."

The PLP Chairman said that Mr Whitfield's call to trade unionists to join in his programme "is a dangerous attempt to mislead the working people of this nation and involve them in a criminal conspiracy that would undermine the good social order of the nation."

"The Progressive Liberal Party feels compelled to call on all citizens of the nation to condemn Mr Whitfield and his party for launching a dangerous and unlawful programme of civil disobedience against the peace and tranquility of the Bahamas," Mr Hanna said.

"I call upon all to reject the FNM's programme of civil disobedience and join the PLP in fostering a spirit of peace, love and progress within the nation."

## Hanna Denial of 'Cement' Charge

Nassau THE TRIBUNE in English 2 Dec 83 p 1

[Text] ACTING Prime Minister Arthur Hanna Thursday denied allegations by the official opposition Free National Movement that cement is not being produced in the Bahamas but is imported directly from the Cuban Government.

Mr Hanna said that FNM national chairman Cecil Wallace-Whitfield, who made the charge in his opening address Wednesday night at the party's three-day convention, has obviously been fed the "wrong information."

"The Government allows cement to be imported only when none or insufficient is available locally," Mr Hanna said. "The Progressive Liberal Party Government acts always in the interest of the Bahamian people."

The Acting Prime Minister said in his rebuttal: "Mr Cecil Wallace-Whitfield, the chairman of the Free National Movement, claimed that cement is not now being produced in the Bahamas and that cement is being imported directly from the Cuban Government."

"That is not so," said Mr Hanna in a statement issued from the office of the Deputy Prime Minister. "Mr Whitfield has obviously been fed wrong information."

He added: "The cement is being produced locally at the cement plant in Freeport from clinker imported from Spain."

Mr Hanna admitted that "there had been times in the past when the factory in Freeport experienced difficulties that cement was imported from the United States of America, Cuba, Mexico, Colombia and

other countries in the region to assist the building industry during those difficult times."

"No cement is now being imported from Cuba, as Mr Whitfield wrongly declared," said the Acting Prime Minister. "I regret that Mr Whitfield was forced to mislead his audience because he himself was misled."

Mr Hanna said that a "casual stroll" to the plant in Freeport would have shown that cement is being produced in the Bahamas and that the distributors of cement would have told him so, "and that this had been so since May of this year."

Questioning whether there is a communist conspiracy in the Caribbean of which the Bah-

amas is an integral part, Mr Whitfield told the FNM convention Wednesday night in the opening address that Bahamians may not be aware of the extensive trade the Bahamas is doing with communist Cuba.

He wanted to know whether Bahamians knew that cement is not manufactured at the Bahamas Cement Company in Freeport and that cement used for building purposes in the Bahamas is being imported directly from the Cuban Government with two barges loaded with cement arriving each week from Cuba.

Mr Whitfield also asked whether they knew that a small Bahamian airline makes regular

flights to Havana, Cuba's capital, ferrying passengers there and back.

Mr Hanna became the second high ranking PLP official to respond to charges made by the FNM chairman to over 1,000 cheering supporters at the party's convention in La Chandelle Ballroom of the Balmoral Beach Hotel Wednesday night.

Yesterday, PLP national chairman Breville Hanna took issue with Mr Whitfield's call for civil disobedience and marching in the streets, terming his remarks "totally irresponsible, reckless and unlawful" and a "bold criminal action."

#### Janet Bostwick Slap at PLP

Nassau THE TRIBUNE in English 2 Dec 83 pp 1, 4

[Article by Athena Damianos]

[Text] FNM Yamacraw MP Janet Bostwick last night urged Bahamians to "march," "demonstrate" and "boycott" to protect themselves against a "power mad, arrogant" government, led by a Prime Minister "who seems hell bent on leading us towards the path of communism."

In a stirring address at the party's Convention at the Balmoral Beach Hotel, the first Bahamian woman elected to Parliament told almost 1,000 cheering supporters, "We may be arrested or jailed, but if we stand together...their jails are not big enough to hold us."

Mrs Bostwick said "L O has gotta go" because he has failed to show good leadership qualities from the very day of the election.

She reminded Bahamians that "with a despicable lack of statesmanship and magnanimity," the Prime Minister threatened to abandon the middle class and the professionals and to destroy the FNM before 1987.

Mrs Bostwick said that everybody was shocked on September 5 by a report made over NBC Nightly News.

"We were equally saddened by the public behaviour of the accused persons," she said.

She warned that nobody could close their eyes to the ill effects of drug abuse in our society. She said the country has not sufficiently addressed itself to the treatment of the victims of the "mass murderers who grow rich at the expense of the lives of too many of our people."



"We wish those who traffic in drugs exposed! And we wish those under whose protection they traffic exposed. We wish our country rid of all of them and the higher in authority they be the more urgent the need to be rid of them. That includes the Prime Minister if he happens to be involved," Mrs Bostwick said to thunderous applause.

She said that Prime Minister Sir Lynden Pindling has attempted to carry out his threat to destroy the FNM "by having his incompetent sychophants and yes men" defeat every single motion brought to Parliament by the Opposition with a view to improving the quality of life for all Bahamians. Mrs Bostwick's bid to have a family court established was only recently voted down by the Prime Minister.

She warned that "no true proponent of democracy adopts such a posture."

"When we listen to the PM's threats to break the diplomatic seal between the US and this Government we must seriously question whether this man has decided not only to lead us to a one party state--where no one dares to stand up to him and publicly criticize any deed done or determination arrived at by him and his minions--but in addition he seems hell bent on leading us towards the path of communism," said Mrs Bostwick.

She said a morning which must never be forgotten in political history was when nine teachers and four Torchbearers "were locked away in the stinking cells, accused of civil disobedience."

"They remained locked up all night while the PM rammed through Parliament the resolution increasing Parliamentarians salaries. [as published] He and his colleagues agreed to take your money from your pockets at a time when you were crying for assistance and relief." And, she added, they did this "in the stealth of the night."

She said it was only six weeks later when "we were told that if certain agencies of another government had gotten their hands on more evidence of certain high ranking government officials they too would have known what the inside of a cell looked like.

"And over recent weeks one of their own associates, they call him 'Daddy-O,' who vilified this Opposition, has become so familiar with a jail cell that by now he too must be saying it's time for a change."

Mrs Bostwick said that Sir Lynden must go because "he showed his utter contempt and disregard for even his so-called 'grassroots' when immediately following the elections his Government heaped upon the Bahamian public "unconscionable" increases in water and electricity rates, in duty on almost every imported item, and doubled drivers licence fees and inspection fees.

She lashed out at Prime Minister Pindling for implying that only PLP supporters will be given jobs at the new Cable Beach Hotel and said that if FNM's can't work at the hotel, they won't pay taxes on it.

"The Government jobs are Bahamian jobs. They are not PLP jobs. We will not, we cannot tolerate the victimization which has been promised by no less a person than the Prime Minister. Sir LOP has brought dishonour to the high office entrusted to him and is no longer worthy to be called Prime Minister. His utterances at their wake in October shows that yet again he seeks to divide our people," Mrs Bostwick said.

"Talk is not enough when dealing with a power mad, arrogant government. We must march, demonstrate, boycott and do all within our power, without resorting to violence to show the PLP demagogues that we shall not be trampled...

"I am tired of PLP foolishness. You are tired. Our children are tired. We've had enough. Soon and very soon we're going to deal with Ping and get his corrupt Government out of power."

"And then...those who seek to do God's will must join hands in our effort to rebuild this society," Mrs Bostwick said. "It will be our responsibility to build a nation dedicated to God--the only nation which recognises in its Constitution that Jesus Christ is Lord."

#### 12-Point Indictment of PLP

Nassau THE TRIBUNE in English 2 Dec 83 pp 1, 14

[Article by Anthony Forbes]

[Text] Opposition High Rock MP Maurice Moore charged last night that the PLP Government has changed from a philosophy of free enterprise to a socialistic form of government, flagrantly violating a solemn commitment to the total liberation of the Bahamian people.

Mr Moore also listed 12 "distressing" facts that Bahamians have witnessed during the 17 years the ruling PLP Government has been in power in his address on the second night of the Free National Movement's convention at the Balmoral Beach Hotel, Cable Beach.

"For 17 years now we have painfully watched this country rapidly going downhill," the Grand Bahama parliamentarian told over 1,000 supporters in the hotel's La Chandelle Ballroom last night.

"We have witnessed the disillusionment of the Bahamian people at large and the special frustrations of young people robbed of their dreams and just aspirations," Mr Moore said.

On his first "distressing fact," the economy, Mr Moore said that major industries, such as Borco and Bahama Cement are laying off employees while other industries like Syntex, Franklyn Chemicals and Burma Oil are not hiring any new people and not one single new industry has come to the Bahamas in a long time.

He said tourism has degenerated in quality and Grand Bahama has witnessed the closing of the Xanadu Beach, the Lucayan Harbour Inn, the Arawak Hotel and, he was told, the Government-owned Lucayan Bay will soon close.

Mr Moore said that true to PLP promises, the \$100 million Cable Beach Hotel and Casino will not open on December 15 as promised.

Mr Moore said that unemployment has escalated to a high unknown in the Bahamas, consequently robbing Bahamians of their human dignity.

Public utilities, the High Rock MP said, are in a state of chaos and malfunctioning, with water for those who have it being of inferior quality and irregular in supply.

Food, fuel and light bills are escalating while service has deteriorated, Mr Moore said, while roads have not only been not built, but those that we have are kept in a state of disrepair.

Mr Moore said that development in the Family Islands has been non-existent and for the most part, they have been denied the supply of basic utilities.

Crime, he said, has increased to alarming proportions with the streets not being safe by day or night.

He said that education has sunk to an all-time low with no special planning for present and future needs while increasing taxes have been heaped on the shoulders of a people less and less able to bear it.

According to Mr Moore, transportation is "in a mess" with the national carrier, Bahamasair, continuing to cost more money every year, finally forcing the Deputy Prime Minister to admit that the PLP has failed and that Bahamasair may have to go.

He said the Government-owned television and radio station is being abused and used as a propaganda tool for an inept, corrupt and dictatorial government.

"Even when you pay \$27,000 for a service from this government you cannot expect to get it," Mr Moore said in an apparent reference to the audio difficulties experienced during the transmission of the convention Wednesday night on TV-13.

Declaring that victimization is the order of the day, Mr Moore told his audience to ask Autrey Bullard, former COP lecturer; Leonard Archer, former high school principal, and Judy Mae Lewis, denied employment at the new Cable Beach Hotel when it was discovered she was FNM.

"This government has had 17 long years to show the Bahamian people what they are all about," Mr Moore said. "They have proven themselves to be a destructive and unqualified disaster."

Mr Moore said that the free enterprise system produces an economic climate where the individual can raise himself through initiative, talent, merit and hard work to produce assets or capital, which produces goods and services and full well-paid employment that enable employees to live at a higher standard. He said that the FNM believes in the abolition of poverty, restoring dignity to Bahamians, a proper education and trade for every young Bahamian to make a good life for himself.

He said the FNM is committed to serve no special interest group or selected individuals, nor to deny any citizen or group of citizens their opportunity to make of their lives what they will.

"Each individual Bahamian will reap what he sows in a soil made fertile by an FNM Government," Mr Moore declared.

Turning to Grand Bahama, Mr Moore called for the construction of a proper road from one end of the island to the other, telephone, water and public health services, so that the tourist business can reach every settlement on the island.

"The people in these communities must be assisted in playing a meaningful role in our tourist business--this business must be administered so that it reaches and benefits the entire island," he said.

Once the infrastructure is in, he said, a new incentive policy must be employed to give some relief to the hard-pressed worker and to encourage economic development, particularly of labour intensive enterprises which add maximum value to the economy without any drain of foreign reserves.

He called for the establishment of preferred industries including a clothing design and manufacture industry, the handicraft design and manufacture industry, and the food processing industry.

He said that Bahamians must be given the opportunity to have any job they are qualified to do and should be trained with Government assistance and guidance for every position in the country.

He said that in many departments of government, the people in the areas themselves are better acquainted with their own needs and are in a better position to implement them efficiently.

"Therefore, the introduction of local government for the island of Grand Bahama will also assist in renaturalization and the forward thrust of our new free enterprise system," Mr Moore said.

He said that every effort must be made to take advantage of the Caribbean Basin Initiative (CBI) of which the Bahamas has not been made one of the nations to benefit.

He said that the CBI advantages, coupled with a capable FNM government added to the other incentives that Grand Bahama has to offer will be the prescription for economic success for all.

He said that the coming into force on November 1, 1983, of the "iniquitous, unjust and some say unconstitutional Immovable Property Act," will further destroy the economy of the Bahamas, especially that of Grand Bahama.

He said that the acceleration of crime is due mainly to the frustration of the youth, dismaying unemployment, a disastrous educational system and allegations that some Ministers of government might be involved in and receiving benefits from the drug trade.

#### Attack on Agricultural Policy

Nassau THE TRIBUNE in English 2 Dec 83 p 4

[Text] The Minister of Agriculture and Fisheries was told last night that he should put on his necklace and earring, jump into his BMW "and head straight into the sunset of political oblivion."

FNM Clarence Town MP James Knowles made the remark at his party's Convention last night as he criticised the Ministry for not taking seriously its commitment to the development of agriculture.

He said that probably as an instant remedy to the problems faced by farmers, "I would invite the Minister responsible to darn his necklace, (put on) his earring, put on his rings, jump into his BMW and head straight into the sunset of political oblivion. And if he has any room left in the front seat, or the back seat, or the back trunk, take LO and AD with him and, of course, once that is done the rest will follow."

Mr Knowles claimed the PLP is playing a charade with agriculture, using such expressions as "the year of instant agriculture" and "self-sufficiency by 1980," He said there will never be improvement in this area until there is a change of leadership.

He reminded delegates attending the Convention that the Government spent \$100,000 on a packing house at O'Neil's, Long Island, when only 10-15 per cent of farming is done within 30 miles of the packing house.

He alleged that this was a "glowing example of PLP determination to use public funds for the sole purpose of producing votes for its candidates."

He also said that the Ministry then built a fish landing complex at Potters Cay several months ago at a cost, he was told, of about \$4 million.

"Only a few months ago I made it a point to tour this complex and it is clear to me that the only service available at the complex is the sale of ice and fuel," he said.

Mr Knowles wondered how the Ministry expects the public to think it is serious about agriculture when many people, "including some very high ranking members of the PLP, sell foreign produce" at the Farmers Market on Blue Hill Road.

## Foulkes on Anti-U.S. Policy

Nassau THE TRIBUNE in English 3 Dec 83 pp 1, 11

[Article by Anthony Forbes]

[Text] The alternative to the Bahamas' ties with the United States is an alliance with the Soviet Union and Cuba, but the country's future well-being cannot be assured without the goodwill of the U.S. FNM Blue Hills MP Arthur Foulkes said Friday night at the closing of the party's three-day convention.

He also asked whether the PLP Government opposed the U.S.-led invasion of Grenada because that is what they really should have done, or was it an act of retaliation designed to spite the United States.

In his observations on Government's reaction to the September 5 NBC report and the anti-American attitude which seems to have gained momentum in the PLP, Mr Foulkes said that in their hysteria over the NBC report, the Prime Minister and Foreign Minister made bad judgments, false conclusions and nonsensical statements.

He said that Prime Minister Sir Lynden Pindling, well known for his ability to be cool, was angered by a report made against him and a Minister without any proof, but in the same breath implicated others by blasting their names all over the place.

He reminded his audience of the treatment of the Dissident Eight, who were branded as traitors after they staged a no-confidence vote against Sir Lynden in 1970, and the criminal libel against the FNM leadership during the campaign in the last general election.

"So, gentle delegates, you will forgive us because we did not go charging to the defence of Lynden Pindling and Kendal Nottage," Mr Foulkes said of the two Government officials named in the NBC September 5 broadcast.

He said that the fortunes of the Bahamas are interwoven with those of the US and because of the close geographic proximity of the two nations, "we have always maintained excellent relations with them and the Bahamas has enjoyed security and enviable prosperity."

"And make no mistake about it: our future well-being cannot be assured without the goodwill of the United States," Mr Foulkes said.

He said that Tourism Minister Perry Christie made a big point of how much money Bahamians spend across the stream when he threatened to "cut off" the U.S.

"Who do you think will perish if we terminate the relationship? Miami or Nassau?" he chuckled.

Mr Foulkes said that the money came from the US in the first place "and thank God we can earn it by providing goods and services honestly and with dignity."

"So we say to Sir Sydney: Russia no; America yes; Havana no; Miami yes," said Mr Foulkes. "The alternative to our alliance with the United States is an alliance with Russia and Cuba."

He said that Sir Lynden says Russia pours out \$9 million a day to maintain the Marxist revolution in Cuba and wanted to know what the Bahamas was worth to the United States. He told Sir Lynden to look at the price the Cuban people have to pay in return for that \$9 million.

He said that the freedom of Cuban citizens are severely restricted in order to maintain the dictatorial Marxist state and Cuban soldiers go wherever in the world the Russians want them to go to shed their blood in the name of revolution. [as published]

"Since we know all this, why is it that our Government seems hell-bent on bringing about confrontation with the United States, a confrontation where only we can be the big losers," Mr Foulkes asked.

He said that the Prime Minister should not be angry with US President Ronald Reagan for not taking action after he announced with such confidence that he was going straight to the top about the allegations made about him by NBC, because the U.S. president does not run NBC.

"If there are differences between friends as there will always be then sensible and reasonable people will seek ways to work out these problems through negotiations in an atmosphere of goodwill and mutual respect," he said. "We do not have to go grovelling; neither should we go ranting and raving."

He said he did not know why Foreign Affairs parliamentary secretary James Moultrie, MP for Rock Sound, did not give Foreign Minister Paul Adderley the advice Mr Moultrie so "gratuitously offered" him about not conducting one's foreign affairs in the press.

"The question that comes to mind in all this is this: did the PLP Government oppose the invasion of Granada because that is what they really believe they should have done, or was it an act of retaliation designed to spite the United States?" Mr Foulkes asked.

"I believe that the vast majority of Bahamians approve of what America did in this case," he said to the loud cheers of his listeners. "The invasion was not, as Mr Adderley would have us believe, an act of cruelty."

He added: "It was a mission of mercy; it was an act of deliverance; it was a blow struck in the name of democracy; it was an operation to pry from around the necks of the Grenadian people the grimy, bloody claws of the Marxist hoodlums."

He said that if Bahamians were to wake up one morning and find that the same thing happened here as in Granada, all, including Mr Adderley, would look to the U.S. to come to our rescue and the survivors from the PLP Cabinet would jump overboard and swim to Miami.

"I will not dare to argue legal points with the learned Attorney General but I will say that my politics starts with the belief that people are important," Mr Foulkes said.

He said that if a country is to be sovereign, then a free and sovereign people must bestow sovereignty on the land; not the other way around, and if international law does not say that, then international law should be changed.

#### Isaac's Closing Address

Nassau THE TRIBUNE in English 3 Dec 83 pp 5, 11 and Youth Beat p 3

[Text] Opposition leader Kendal Isaacs got a standing ovation to the beat of "Keep the Fire Burning" as he was escorted to the podium last night by youthful Torchbearers to wind-up the Free National Movements' three-day convention and vow to oppose "every abuse of power, every breach of human rights, every waste of public funds."

Unlike the dirge-like five-day convention held in October by the governing Progressive Liberal Party--billed as a "learning in Paradise"--the FNM put on a programme of able and informative speakers and foot-tapping music, supported by a large number of enthusiastic supporters. Not only did they have a challenging speech by the first and only woman in Parliament, Mrs Janet Bostwick, (FNM-Yamacraw), but their programme featured the party's youth--promising young, dedicated, fearless, no-nonsense men and women.

"Fear now stalks this land," said Mr Isaacs, "Because of this abuse (of power) and it is therefore our duty to speak out loudly and clearly especially since many who might like to speak out are afraid to do so. Every-time we allow injustice to pass unrebuked, we are breaking down the will to resist and soon we will not have the courage to fight for what we believe in.

"The Opposition," he vowed, "will never oppose anything that is in the national interest but we will not fail to challenge every abuse of power, every breach of human rights, every waste of public funds. We will also resist every attempt to enlarge bureaucratic procedures and to remove them from public and parliamentary observation, criticism and control."

Following is the full text of Mr Isaac's speech:

It has been almost two years since we last met in this same hall in what was, at that time, the greatest political convention this country has ever seen. I say "at that time" advisedly because there is now this great convention which is drawing to a close tonight.



That other event held at Paradise Island was hardly a great convention. In fact, it was more like a funeral than anything else and the people who were supposed to be learning in Paradise learned nothing edifying, nothing encouraging, nothing enlightening.

What they did learn was that their party is thoroughly demoralized and that some of their leaders are as vindictive as ever. It certainly must have occurred even to many of them sitting there through that dismal week that it is still time for a change!

Before I go on let me express my heartfelt thanks to all who have worked so hard to make this convention a success. I cannot call all of you by name but there are a few I would like to mention.

Mr George Wilson, our convention chairman, and the convention committee as a whole.

Mr Orville A Turnquest, our treasurer, Mr Tennyson Wells and other hard-working fund raisers who somehow found the money to get it done.

Mr & Mrs Desmond Edwards for their musical arrangements and entertaining interludes.

Senator the Hon. Charles Virgill and Mr L Garth Wright who both worked tirelessly in Nassau and the Family Islands.

I would like also to thank Mrs Edith Turnquest and Mr Durward Knowles who co-chaired the fair committee, together with all the committee members for all the exciting things I know they have prepared for us for tomorrow. A special thanks to our family island delegates who have contributed fresh farm produce, fish and conch for the fair.

To each and every one of you--delegates, members, supporters, all--I say thank you for making the Free National Movement the vibrant dynamic organization that it is.

Since we last met in convention a lot of things have happened and there has hardly been a dull moment in national politics. We lost the election but we elected 11 of our frontline members to parliament and these constitute the best opposition the government has had since the dissident eight left the House in 1972. God willing it will not be long before others of our colleagues join us to form the next government.

It also made history in the general elections of 1982 by electing to our ancient parliament the first woman, Mrs Janet Bostwick. This has caused our opponents much embarrassment and annoyance since they have been masquerading as progressives and liberals, but in 16 years have failed to get a woman elected among their fat majority.

The FNM is, in fact, a more progressive organization since we believe in equality for women and are prepared to do something about it rather than

just talk. Those of us who are males do not feel one bit threatened by women. We are also prepared to bring about social reforms in the law about which the government has been so long on promises and short on performance.

I will not waste our valuable time in doing a post mortem on what must have been the strangest election in the history of the Bahamas. Suffice it to say that one of the judges of the election court was moved in his wisdom to enquire as to whether the whole general elections of 1982 might have been null and void. But there are some lessons we must take to heart and I will mention these later on.

You will recall the dramatic events surrounding the forced retirement of Mr Leonard Archer, the night-long detention of demonstrators including teachers and some of our own Torchbearers.

You will also remember vividly, I am sure, how in the marathon session of the House the government rammed through a resolution increasing the salaries of Parliamentarians.

Deputy Prime Minister A D Hanna has since tried to fool the public into believing that I backed away from a challenge by him to give up my salary increase if he would give up his. The truth is that the eleven of us challenged the 32 of them--Mr Hanna included--to give up their increases and they all backed down. All of us--myself included--voted against the resolution. So we put that piece of trickery to rest.

Then came the most shattering event of all as the national broadcasting corporation televised a report alleging that two members of the cabinet had received payoffs from persons engaged in drug trafficking through these islands.

This was followed by a great deal of hysteria on the part of government members who stumped over New Providence accusing the United States, THE TRIBUNE and, of course, the FNM of a conspiracy against the government.

All nonsense, of course. The FNM had nothing to do with it and I do not believe that THE TRIBUNE has anything to do with it either. I will say this, though, since then we have tried to find out all we can about this matter and some of what we have heard is hair-raising. I trust that it will all come out before the Royal Commission and that this matter will, before too long, be put behind us.

The other big news affecting us has been the tragic events befalling our sister island state, Grenada. You have already heard our party's position on this but I will repeat for emphasis that the FNM welcomed the intervention by the United States and the Eastern Caribbean States in the Grenada affair which delivered the Grenadian people from a band of cut-throat Marxists.

Mr Session Chairman, Colleagues, Ladies and Gentlemen:

The big question is: Where does the Bahamas stand today? Sad to say there has been very little good fortune to celebrate since 1972.

The unemployment rate is still running at an estimated 25% and young and not-so-young Bahamian lives are being wasted away in idleness and despair. Crime and drug abuse are more rampant than ever and many bodies and minds are being destroyed.

An uncaring and incompetent government still fails to bring about the expansion of the economy so that all Bahamians can survive and prosper.

And greater numbers of people are coming daily to the conclusion that the Free National Movement is the only hope for this country and that it is still time for a change!

A wicked and spiteful government is now practising in all its horrid forms cruel, ungodly and naked victimization.

I would like now to deal with these matters as briefly as I can and I will begin by reminding those who can remember and telling those who might be too young to remember that a little more than a decade ago the Bahamas enjoyed full employment and an economy expanding at such a rate that the future appeared bountiful with opportunities for all.

The second city of Freeport was booming and here alone there was enough economic activity to provide jobs for many of our people from the other family islands and from Nassau.

If Freeport had been allowed to develop in an orderly manner, the young men and women who now crowd the blocks and ghettos of New Providence would have been able to take advantage of these opportunities to create prosperity for themselves and to build new stable and secure Bahamian families.

Why was this so? Well, with all the convulsions which took place in the world from time to time, the Bahamas was one of those few places where investment capital seemed safe; where there was no ruinous taxation; where the government was not threatening to take over private property; where the climate and geography were ideal, where the people were friendly; where political and social change took place in an orderly fashion against the backdrop of our Parliamentary system; and where bona fide investors were made to feel welcome.

A new government had been elected in 1967 and for the first few years things seemed to be moving along nicely with investment rolling in and with even more waiting to come in. The new Prime Minister, L O Pindling, announced that there were hundreds of millions of dollars knocking on the door!

Then the incredible began to happen. The new government started a right-about-face and suddenly seemed not to care very much if investors came or not. Indeed, it appeared that the Prime Minister and his Ministers were doing everything they could think of to frighten away the ones who were already here.

Agreements between the government and investors were broken, even some with investors who had come in under the new administration. One group was the

consortium which the Prime Minister himself had helped to put together to improve and expand Bahamas Airways.

Investors were harrassed by one method or the other. Some had to wait for months to get answers to work permit applications. To get matters processed through the various government departments seemed to take endless ages.

To top it all off, government ministers and others started to make the most strident and frightening statements as if they were deliberately designed to convey to investors the feeling that they were no longer welcome. Freeport suffered directly from ill-chosen statements from the lips of the Prime Minister and things started to fall apart.

Some of the investors who were here got out never to return and others who were knocking on the door turned away. The economy sagged and where there were once two jobs, now in many cases there was none. Unemployment grew steadily and remained chronic throughout the decade of the seventies and into the eighties.

With investment slowed down to a trickle and with its tax revenue base eroded, the government then embarked on a two-pronged programme perfectly designed to produce disaster. They started to increase taxation at an unprecedented rate and up to the time of the 1983 budget presentation there has been no let up.

The other prong of the government's policy was to increase heavily the borrowing of money to meet its commitments and to invest in what had been the private sector. And so the national debt--that is the borrowed money all of us FNM and PLP have to pay back--is now approaching half a billion dollars.

Much of this money has been used to finance the government's ill-conceived foray into the private sector, a policy which we told them from the beginning would not succeed and which would be throwing the people's hard-earned money down the drain. But they did not listen and many others did not hear because they were deafened by the empty noises of the Handle It Express, the New Frontier and what could be better described as the Wulff Road Asylum for Political Retardation.

Now we hear no less a person than the Deputy Prime Minister and Minister of Finance declaring that they have been throwing the public's money down the drain (the very same words, I tell you), and threatening to close down Bahamasair because it continues to lose money, and warning the public that if the new Cable Beach Hotel loses money they will have to be taxed to pay it off. All of which is precisely what we have been saying all along but only now they are beginning to see their chickens coming home to roost.

Because of the position we have taken with regard to government's getting into the private sector with such massive amounts of borrowing, we have been called all sorts of things, even vandals. Well, we are not the vandals, they are. They have vandalised the public treasury and they have vandalized the country.

The FNM has never been opposed to the development of the Cable Beach strip with a new resort complex; to the contrary. All we have been saying is that the government should have encouraged private capital to get it done and that public revenue and public borrowing should have been used to do things which it is the duty of the government to do:

.Keep the roads in good repair;

.Build new roads to relieve the traffic congestion in Nassau;

.Maintain and expand Nassau International Airport and other airports where necessary.

.And once airports have been built, provide regular air service for the community instead of leaving them for the exclusive use of drug runners;

.Encourage the development of the Family Islands by putting in the necessary infrastructure, including roads, communications and transportation;

.Improve the education system to meet the realistic needs of the Bahamas today;

.Keep the schools in good repair and build new schools as they are needed;

.Expand and improve hospital and health facilities in Nassau and the Family Islands;

.And buy bulbs so that the traffic lights can be turned on.

It would seem to me with all of this, that if the government carried out their responsibilities in the public sector, they would be less inclined to move into the private sector as well, and the public's money would be better spent.

Now that the new hotel is there we sincerely hope that it meets with some measure of success because we in the FNM are not narrow-minded and we do not confuse our political party with the country. The fact that we are here in this government-owned hotel should say something about that. All our supporters in the hotel, tourism and allied businesses, will work hard to help make the hotel a success and keep the Bahamas up front in tourism, our premier industry.

Indeed, I believe that most FNMs will work harder than most PLPs simply because they are where they are because of their ability to perform and not out of political partonage.

We give the government one final bit of advice and that is to let the hotel managers manage the hotel properly and professionally and keep petty politics out of it.

The FNM has a plan for the economy of the Bahamas and that plan calls for massive expansion through development in New Providence and the Family

Islands. That plan is spelled out in our declaration of commitment and it is still the only way to go, the only way to provide the thousands of jobs which are needed and which will be needed as our population continues to expand. Time does not permit me to go into details of the plan but let me quote a single paragraph from our platform:

*/"For the Bahamas to be developed at the rate and extent which would guarantee full employment for all our people, we must attract a substantial amount of outside capital as well as encourage Bahamian capital investment. Otherwise we will be forever condemned to unemployment and deprivation for the many, and prosperity only for the privileged."/ [in italics]*

If things continue to go the way they are now going, with unemployment and taxes steadily increasing, our society will be really and truly destabilized and we will be fair game for the fires of revolution which are raging in so many countries today. As the late President John F Kennedy put it: "If a Free Society cannot help its poor then it cannot save its rich."

The PLO has failed miserably to stimulate the development necessary to make this country prosperous again and to provide opportunities for all who want to work. We do not believe they ever will; we do not believe they can; so as long as they are in power it will still be time for a change!

Mr Session Chairman, Ladies and Gentlemen:

My Colleagues and I, and I am sure each and every one of you, are deeply troubled and angered by one very ugly aspect of our national life and that is the increasingly bold and callous victimization and discrimination practised by the PLP government.

This has been going on for a long time at just about every level in this country but I, for one, was flabbergasted when I heard no less a person than the Prime Minister, at his party's convention, announce this as national policy. What a shame!

What is it they are trying to achieve by this madness which can only bring about dangerous divisions among Bahamians? Are they deliberately setting about to complete the destruction of our country? And do they expect that Bahamians will lie still and allow themselves to be trampled in this fashion? I am disturbed and fearful at what the answers to these questions might be.

It is folly of the highest order for a government to attempt the systematic victimization of more than 40 per cent of its population. FNMs pay taxes just like PLPs and therefore have every right to equal opportunity and equal treatment in every respect in their own country and we demand nothing less.

In addition to discrimination against known supporters of the opposition in Nassau and all the Family Islands, this government discriminates against the opposition as a whole in their totally biased control of the national radio and television. Their stranglehold on these two institutions is a

national disgrace and what they have done to the concept of Journalism is an unmitigated abomination. My colleagues and I will decide what we are going to do about this dilution of our democratic rights.

The Bahamas is a beautiful country which God and Nature have blessed in many delightful aspects and the greatest beauty it has possessed is the beauty of our people. We have been noted far and wide for our good manners, generosity and friendliness towards one another and towards our visitors.

But now this nasty thing, this cancerous sore of victimization and discrimination is threatening to change all that and to implant in the hearts of our people bitterness, hostility, and alienation.

We must resolve, fellow delegates and fellow citizens throughout the country, to resist this terror which the PLP government has set loose among us. We must do everything in our power and within the law to break this yoke.

We must protest loudly and we must demonstrate until the freedoms guaranteed us by the constitution can be claimed by each and every one of our citizens, the young and old, men and women, regardless of their political allegiances.

Mr Session Chairman, Ladies and Gentlemen:

I told you at the beginning that there are some lessons we must take to heart as a result of the 1982 General Elections and I turn now to these.

The first lesson to be learned is that our opponents are ruthless and cunning. They are capable of playing the dirtiest tricks on the nation in order to secure themselves in power. And that is exactly what they did in the elections when they reversed the interpretation and practice of the election laws which we had been following for two decades.

They have refused our offer made in the House of Assembly to sit down in committee and arrive at such amendments to the law which will make it clear to all citizens and all parties in an election just what the law requires; to spell out clearly the rules of the game so that we all will know how to play it. Unless and until this is done we must be on our guard and prepared for any eventuality in the next election.

Lesson number two is that our party must be properly organized; we must be prepared to man the polling stations on election day. We cannot wait until an election is called to start training our people. Our national chairman, Mr Whitfield, has already started a programme towards this end and I urge all of you who can participate to do so; street captains, poll workers and candidates.

In the last elections our opponents were able to steal some victories from us at the last minute because we were not properly staffed at the polls. This must not happen again.

The third and final lesson is that the members of our constituency associations, those who are now in Parliament and hope to remain, and those who

hope to get there next time, all of us must spend more time in the constituencies. That is where it all begins and ends; with the people. We must take these lesson to heart.

Finally, as leader of the Opposition, I would like to emphasize that it is public opinion that sustains the Opposition. Some countries may get along without an opposition but that is contrary to our Bahamian way of life. We are not prepared to tolerate a society ridden with dictatorship and abuse of power.

Fear now stalks this land because of this abuse and it is therefore our duty to speak out loudly and clearly especially since many who might like to speak out are afraid to do so. Everytime we allow injustice to pass unrebuked, we are breaking down the will to resist and soon we will not have the courage to fight for what we believe in. So it is our duty to resist where resistance is called for.

The Opposition will never oppose anything that is in the national interest but we will not fail to challenge every abuse of power, every breach of human rights, every waste of public funds we will also resist every attempt to enlarge bureaucratic procedures and to remove them from public and Parliamentary observation, criticism and control. [as published]

Yes, ladies and gentlemen, this country is beset with great problems and, when given the opportunity, the FNM will face them with courage and with the confidence that they can be successfully tackled.

We will restore prosperity, tolerance and unity to this divided land and remove the dark clouds of unemployment, crime, victimization and fear. A country divided against itself cannot generate the creativity and dynamism necessary to make the changes that are so badly needed.

With so much at stake I am certain that in the next innings we will defeat the PLP and defeat them convincingly. I say this because I am confident that a large majority of the Bahamian people, now more than ever, agree with us when we say: It is still time for a change!

Good night and may God bless us all.

CSO: 3298/290/291



VANGUARD LEADER CONDEMNS U.S. ACTION AGAINST GRENADA

Nassau THE TRIBUNE in English 24 Nov 83 pp 1, 14

[Article by Anthony Forbes]

[Text] Vanguard Socialist Leader Dr John McCartney charged yesterday that the United States and the Eastern Caribbean States introduced a precedent worse than the so-called disease they were trying to remedy when they invaded and eradicated Grenada's sovereignty last month.

Declaring that the US and the six Caribbean states "tutored" Grenada when they invaded the island, Dr McCartney queried whether they will also "tutor" the Bahamas if it fails to meet their bank secrecy demands.

"So you see the question of sovereignty is one which is not just confined to the so-called communists in Grenada but is a problem which we will have to face in the near future," Dr McCartney told a panel discussion on whether the multinational invasion of Grenada was a mistake.

The Vanguard leader, who appeared on the panel with former opposition leader Mr Norman Solomon at the Forum discussion, said that sovereignty of a people means the right to plot their own destiny untutored.

"The US is tutoring. Sovereignty means that you are untutored by others," Dr McCartney told his audience. "My contention is that the United States and the Eastern Caribbean States tutored Grenada."

"When they tutored Grenada, they eradicated that nation's sovereignty and introduced a precedent worse than the so-called disease which they were trying to remedy," Dr McCartney said.

He said that sovereignty for black people is more important than it is to people in the United States, Europe and even the Soviet Union, and that most black people were colonised up to the 1950s by Britain, France and other colonial powers.

He said that they did not have the right to plot their own destiny, culture and economic system and that in countries like Jamaica, the Bahamas, Nigeria and Ghana, the Queen, the British or their representatives decided what black people did.

"So conscious were the British of this imperial legacy that they refused to intervene in Grenada," he said. "It seems to me rather odd that if the British, who had hundreds of years of direction of the Grenadian people, refused to intervene, why was it so important for the United States to intervene, on what grounds?"

He said that in a world of sovereign states, disputes between nations have occurred, will occur in the future and are occurring today, and that problems may occur with particular nations which demand the world's attention.

To deal with the problems, he said, nations have developed bilateral, regional and worldwide mechanisms, including the Organization of American States (OAS), the United Nations and the International Court of Justice.

"I find it very hard to realize how lawyers...many lawyers in this country are saying go in and do it, yet you form a company and a company is a legal fiction, a company is not even a physical person, but no one may touch that company's assets without due processes of the law," he said.

He said that the Organization of African Unity (OAU) is predominantly an African organization, for Africans and by Africans.

Dr McCartney said that OAU gave President Julius Nyerere of Tanzania permission to intervene in Uganda but President Nyerere went through the procedures of finding and getting a resolution from the OAU in order to do that.

"He just did not jump the first day and said look, I am going into Uganda to wipe these fellows out," he said in his argument for the motion that the invasion was a mistake. "That isn't the way things are done and Uganda was far worse, far more brutal than Grenada could ever be but the OAU sanctified Nyerere's excursion into Uganda and therefore sovereignty was not compromised by that."

Dr McCartney said that he agreed wholeheartedly with a statement made recently by Guyanese President Forbes Burnham that when a group of black leaders have the brass to call in a neo-colonial power, or a former colonial power, to reinstate order, they don't need to be opposed, they need psychiatric treatment.

He said that many proponents of the US invasion say the intervention was to prevent a bloodbath and they go on to argue that whoever opposed the intervention agreed with the killing of Mr Bishop.

"I want to make that very clear. Nothing could be further from the truth," Dr McCartney said. "No one opposed Bishop's killing...some of our people knew, more than I do, more than our people do...and the killing of Bishop was opposed by almost every government in the world. There was nobody who supported Bishop's killing."

He said that to kill Bishop is one thing and to have a country which borders on instability is another thing, but there were other things that could have

been done to bring Grenada to international standards other than an invasion, or at least before an invasion was carried out.

He said that Grenada is very dependent upon Trinidad and Barbados for its sustenance and that agreements and certain criteria could have been set for dealing with Grenada.

He queried whether the OAS or the UN could not have got a commission to go into Grenada and investigate the so-called violation of human rights, and whether Caricom could not, as suggested by the Bahamas, Trinidad and Guyana, invoked sanctions before they took the military route.

He said that these things have been done before and that the UN intervened in the Congo in 1960 and has peacekeeping troops in Lebanon and all over the world.

"It is nothing new," he said. "What in fact happened was that Reagan and his clients like Seaga (Jamaica's Prime Minister) saw it as a chance to strike another blow in their metaphysical fight against something called communism."

He also contrasted the US behaviour in Grenada with its so-called constructionist approach to South Africa where millions of black people are denied basic human rights and are punished and are killed by that state whenever they express their yearn for human dignity.

He said that South Africa is far worse than Grenada could ever be, even under former Prime Minister Eric Gairy, and the US representative to South Africa, Mr Chester Crocker, said the US will "prod" the racist regime into evolving into a more decent society by trade, loan and military sanctions.

He said that despite South Africa's abhorrent record, far worse than Grenada and Haiti, the US will not support the guerillas who are fighting to overthrow it.

"The guerillas are only supported by the socialist states and some of the more progressive states in the world," Dr McCartney said. "So if you are willing to be constructionist towards South Africa, why are you not willing to be constructionist towards Grenada."

He termed as a "bunch of lies," charges that communist subversion and exporting of revolutions by Grenada and said that none of the countries have yet to produce evidence to show plots were fostered by Grenada to overthrow their governments.

He said that a segment of the people in the US are aware of the awesome power their country wields for good or for evil in the world, pull for the underdogs in the world and realize that if mankind is to survive, its hatred of people because they are Moslems or Communists, blacks or whites, must stop.

On the other hand another segment of American life represented by President Reagan, feel that the rest of the world is a field for domination and plunder and only communists or socialists or nationalists stand in the way of their plundering the whole world "and Grenada is a warning to everybody else that, look, if you stand in our way we will bulldoze over you."

"While I love the former America, I hate the latter American and we in the Bahamas do humanity a favour when we point out to America that it must change its ugly side," Dr McCartney said.

CSO: 3298/291

## BANK SECRECY, DRUGS ISSUES INVOLVING U.S. ARE LINKED

## Adderley Remarks

Nassau THE TRIBUNE in English 21 Nov 83 p 1

[Article by Anthony Forbes]

[Text] THE BAHAMAS Government is considering whether to adopt "legislation" similar to that of Switzerland and Australia, which will give the executive authority to determine whether private banking information should be disclosed, Attorney General Paul Adderley revealed Friday.

Mr Adderley, also Foreign Minister, declared that "at the end of the day," it really does not matter what the Bahamian laws are if "all depends" on what the United States sees as its paramount interest.

He told the November monthly luncheon meeting of the Bankers Club at the Ambassador Beach Hotel that the Bahamas' bank secrecy laws are not adequate to deal with the present situation involving US attempts to force Bahamian banks to reveal confidential banking information to US courts.

Mr Adderley said that experience has taught that the existing law is sufficient but it gives the court no sufficient guidelines to determine how or when it might order disclosure, nor does it specifically indicate who is responsible for making the application.

He said it merely happens that the law is a product of many long years ago when everybody thought they understood these things and the

problem was not as "telling" as it is now, but that deficiencies certainly do exist.

"I think now, yes, legislation of many kinds are presently being considered, including the device by which the Swiss have used, including the device the Australians have used which is similar to the Swiss, by which the executive has the authority to determine whether or not disclosure is made or not," Mr Adderley told bankers.

"We have got to consider whether or not that is one of the rules which we may have to follow, but at the end of the day I don't think it really matters what our laws are if all depends on what the United States sees its paramount interest as, as ought to be evidenced to you by the way in which they dealt with the Swiss, in the Maverich case, notwithstanding their mutual assistance treaty with the Swiss, notwithstanding Swiss law, notwithstanding the agreed procedure that is exactly the same," the Attorney General added.

Mr Adderley said that the difficulty of the extra-territorial extension of the United States jurisdiction which they sought, has been faced by the British Government, which, in 1980, passed an act called the Protection of Trading Interest Act.

Mr Adderley said the act dealt with the protection of the

merchant trading interest from the inclusion of the United States federal agencies which were seeking information from companies, corporations and persons in the United Kingdom.

He said that the British Government's response to the US assault upon its trading and commercial interests occasioned the passage of that bill.

He referred bankers to former British Trade Minister John Nott's statement when he introduced the bill in the British parliament in 1979, that its objective was to re-assert and re-inforce the defence of the United Kingdom against attempts by other countries to force their commercial and economic policies unilaterally upon Britain.

He said that the British Minister went on to make some comments which stresses fully a philosophy with which the Bahamas would agree and which guides the Bahamian Government in the protection of its banking institutions, the financial service industry.

He said that Mr Nott told the British parliament that no British Government can accept that British jobs should be harmfully affected by the legislative action of the United States Congress or informal actions of the US Government agencies.

"The mischief contemplated by that legislation, which attempts to affect the trading interest of the United Kingdom, was clearly to have been found by them in the claims made by the United States Congress, courts and enforcement agencies to regulate world trade

extra-territorially by the application of the United States law.

"And the charge that the United States has shown a tendency in certain respects over the past three decades, to increasingly mold the international economic and trading

world in its own image, is well founded," Mr Adderley quoted the British Minister as saying.

He told bankers that there is a major area of interdependence between the banking institutions of all western capitalist and non-capitalist countries.

#### Norman Solomon Comment

Nassau THE TRIBUNE in English 22 Nov 83 pp 4, 5

[From the "As I See It" column by Norman Solomon]

[Excerpts]

ACCORDING to Monday morning's daily, our Attorney General recently told Bahamian-based bankers that "they need to play an active role in dispelling perceptions held by an important category of officials in the United States who not only believe the banking system in the Bahamas survives off dirty money, but also believes that the banking system encourages dirty deposits, and that the Bahamas Government is an active participant with you (bankers) in your and its interests."

As it was reported, Mr Adderley went on to lay the blame more or less entirely on the doorstep of the United States. If they can't enforce their income tax laws with sufficient efficiency, too bad for them. If they can't catch the criminals who make millions off narcotics which end up in Nassau banks, tough for them. American law enforcement is at least one problem which is not ours. Hallelujah!

If this rings vaguely familiar you may be thinking of our Prime Minister's recent assertion that since the vast majority of all narcotics passing through the Bahamas ends up in the United States, *ipso facto* the elimination of drug trafficking here is a 100% American problem.

Then of course we must bring to mind the fact that such efforts as have been made by our government to stop narcotics trafficking have been

lacklustre, in many cases very much overdue, and, generally speaking, ineffectual. Which position must also be related to our Attorney General's (and our Prime Minister's) diatribe against the law enforcement authorities of the United States for illegally using their agencies in the Bahamas to solve the problem the Prime Minister said *was their problem* and which happens also to be a problem Bahamian law enforcement authorities cannot curb.

I fear so because names prominent in the PLP, i.e. "Life" Curtis and "Daddy-O" Miller to name just two, are being publicly linked with a recent illegal narcotics deal in Miami in the course of which Miller allegedly walked away with \$80,000 in his possession. Curtis, allegedly, will find it healthier to Christmas shop this year in Nassau rather than Miami.

I fear so because I have heard on reasonably good authority that an extra special PLP supporter was smarter than Miller, didn't hang around for the final chapter, and thus squeaked home safely.

I fear so because it seems to me more than merely possible that the Bahamian government is opposing American authorities' desires to mount and sustain undercover operations in the Bahamas mainly because there is a dire political need to protect their own, especially those who know too much.

I fear so because it was not only possible for people like Don Aberle and Abe Lieber to obtain trust company licences in the Bahamas, but it was also possible, for a very long time in one case and not as long in the other, to maintain them with the apparent approval of the Central Bank. And I say that in part because Robert Vesco has been accused of bilking hundreds of millions of dollars from innocent and mostly not wealthy people which, or some of which, he is alleged by a Wall Street Journal article of 8th March, 1983, to have put to work through a conduit, the Columbus Trust Company, publicly acknowledged to be owned (at least at some time) by Don Aberle, L O Pindling (5,000 shares), Kendal Nottage (5,000 shares) and others. If the allegation is true, what Columbus did was maybe legal under Bahamian law, but is it or is it not fair comment to say that Columbus played a role, in the circumstances alleged, not unlike that of receiver to thief?

I fear so because I understand full well how much economic and thus political heat is taken off the Bahamian government by the injection into the Bahamian economy of funds generated in the Bahamas by some of the filthiest money in the world. Are we to say this is all most acceptable because Bahamians, somewhere along the line, make a legal profit? I hope not.

I hope not, but I fear so.

I fear so because the current American Ambassador told the National Broadcasting Corporation that he "stopped" the FBI's undercover exercise designed to tempt a prominent

Bahamian Cabinet Minister and film him, if things went as planned, in the act of accepting a very substantial bribe for some improper reason in con-

nection with one or more narcotics' transactions. I again pose the question: How can you stop something that wasn't going to happen?

### Policy Considerations

Nassau THE HERALD in English 25 Nov 83 p 3

[From "The World Stage" column by Fred Mitchell]

[Text]

**LONDON, NOVEMBER 15, 1983—**The week of the PLP's convention and the one just after, saw a lessening of the furore over the allegations made by the National Broadcasting Corporation. Once again it seems that the Prime Minister has won the public relations battle. There is little doubt among the population at large that the charges with respect to him and the government are untrue.

THE one ripple on the horizon during those two weeks was the arrest for conspiracy to smuggle drugs in the United States of one John Rolle and one Sammy Miller. That caused a bit of excitement, but not enough to start the public furore all over again.

THIS period today may then be characterized as a period of hindsight on this issue. No less a person than the U.S. Ambassador has predicted that soon the entire unfortunate incident will be behind us.

WHILE the U.S. Ambassador's charitable words are welcome and while the charity of the Bahamian people towards us is welcomed within party walls some serious policy discussions and analysis must now take place. There is no doubt that we handled the crisis as best we could, given the fact that it popped up out of the blue. However, we need now to examine whether our responses were correct and whether if it happens again we ought to react in the same way.

WITH the benefit of hindsight, it needs to be decided whether we overreacted to the crisis, and whether we have overacted to this entire problem of the drug war, drug transshipment and the laundering of money through our banking system.

**SOME points that policy makes ought to consider are:**

1. In view of the history of The Bahamas with a smuggling past and a history of making money off others' misfortunes should we be as apologetic and defensive as we are about the whole issue?
2. Is there a need for legal reform to deal with the popular usage of so called illicit drugs in The Bahamas among Bahamians, seeking to separate the simple possessor from the transshipper?
3. Does our entire foreign policy establishment need to be overhauled so that it has a clearer, and surer sense of mission about what is supposed to be doing for the

country (without prejudice to the Foreign Minister's efforts on the country's behalf).

4. In particular, do we need to address our attention to the entire range of relations with the United States government, including better intelligence about what the United States proposes to do and a more effective lobby to influence public policy there with regard to the Caribbean and The Bahamas.

THIS columnist can provide some suggestions in answer to these questions. In fact the questions beg their answers. Yes our foreign policy establishment is in need of redefinition. Yes we need better intelligence about U.S. policy and a more effective lobby.

THIS must be the PLP's agenda over the next few months and certainly over the next year. It is simply a mistake to believe that every time we are confronted with some crisis we can take to the streets. Pretty soon the people will think we're crying wolf and even Millie Moncur will stay at home.

## GOVERNMENT INVOLVEMENT IN HOTEL RAISES TAX, AIRLINE ISSUES

## Hanna Threat to Bahamasair

Nassau THE TRIBUNE in English 22 Nov 83 p 1

[Article by Athena Damianos]

[Excerpt]

**DEPUTY PRIME Minister Arthur Hanna yesterday warned that Government might close Bahamasair if the national carrier continues to "waste" millions of dollars.**

Mr Hanna told employees at the "soft" opening of the Cable Beach Hotel that it would be easy to shut Bahamasair, but it would be difficult to close the new \$150 million hotel and casino.

He said that if the Cable Beach venture isn't profitable, money will have to be taken out

of the Public Treasury to service the \$150 million loan, resulting in new taxes for the Bahamian public.

"What we're having difficulty with now is Bahamasair and if the persistence of Bahamasair continues, I will have no hesitation to close it down," Mr Hanna told close to 1,000 applauding hotel employees.

He said the Bahamian public "cannot be held ransom to a few and we cannot have their money going down the drain."

"Now we've told the chairman of Bahamasair Corporation and we've told Bahamasair that the Government cannot continue to put millions and millions (of dollars) into an entity to be completely wasted," he said.

Meanwhile, the Bahamas Professional Pilots Union went into negotiations with Bahamasair management today for a new labour contract. Bahamasair flights were either delayed or cancelled Friday when pilots called in sick.

## FNM Riposte

Nassau THE TRIBUNE in English 23 Nov 83 p 1

[Text]

**THE OPPOSITION** Free National Movement has criticised Government for getting into businesses that can be better operated by private enterprise, in the wake of Acting Prime Minister Arthur Hanna's warning that new taxes would have to be levied to pay the \$150 million loan on the Cable Beach Hotel and Casino if the venture is not a success.

The FNM said today it has never been against the idea of developing the Cable Beach

strip, but that Government should have encouraged private investors to take on the project.

"The millions of dollars that the Government will have to pay just to keep up the interest on its borrowings means that there is less money to do those things which Government ought properly to do," the FNM said. It named road maintenance and the expansion of telecommunications and electricity as some of the areas on which the borrowed money could have been better spent.

"In short," said the FNM, "maintain and develop the country's infrastructure which will in turn go a long way towards encouraging investment and development and providing full employment and prosperity for all Bahamians."

On Mr Hanna's threat to introduce new taxes, the FNM said it has been saying all along that this is what Government will have to do to pay off the almost half-billion dollar public debt piled up by the PLP Government.



It also singled out Mr Hanna's threat to close down Bahamasair if it continues to "waste" millions of dollars.

"We have been warning the Government about the airline ever since they foolishly pushed private operators out of the business and set up Bahamasair as a Government-owned and operated entity," the FNM said. "And from day one to now the Government has, to use Mr Hanna's own words, been pouring money 'down the drain' in the millions of dollars."

It said the threat of new taxes is a gloomy prospect since the Bahamian public is being taxed more today than ever and working Bahamians already

have an almost intolerable tax burden to carry.

It said that difficulty is further compounded by the fact that anywhere near 25 per cent of the working age population is unemployed and therefore not able to contribute to the nation's productivity and tax revenues.

"Apart from the fact that governments in general do not seem to be able to operate businesses as well as private enterprise, the manner in which the PLP has politicized everything they touch is almost a guarantee of failure. Already from the Cable Beach Hotel there are reports that every list of prospective employees has

been submitted to political scrutiny," the FNM said.

"Apart from the injustice of this - about which we have already spoken - is the fact that it is a bad business practise. Employees should be picked on the basis of qualification for the particular job and not on the basis of political allegiance.

"Since Mr Hanna is talking about taxes, we remind him that FNM members and supporters also pay taxes and will have to bear the burden along with PLP members and supporters. So it is doubly wrong to discriminate against them at the Cable Beach Hotel and at other Government-owned job sites," the FNM said.

### Airline-Pilot Negotiations

Nassau THE TRIBUNE in English 23 Nov 83 p 1

[Article by Athena Damianos]

[Excerpt] **THE BAHAMAS Professional Pilots Union began another round of talks with financially-troubled Bahamasair today over a proposed 25 per cent salary reduction, informed sources told The Tribune.**

However, Bahamasair general manager Aubrey Curling again denied that the pilots have been asked to take a pay cut and union president Godfrey Symonette refused to comment on the matter.

But, reliable sources said that the union, which is negotiating for a new labour contract, has been asked to accept a 25 per cent reduction in salary. It was originally thought that any wage cut would be in the area of 20 per cent. A source said that management has softened its position as a result of the "sick-out" by pilots last Friday.

"I don't mind how many sources you were told that by. I told you the pilots were never asked to take a pay cut. The pilots have not been asked to take a pay cut. In fact, no

employee has been asked to take a pay cut at this point in time," Mr Curling said.

He confirmed that Bahamasair, which was criticised by the Deputy Prime Minister two days ago for "wasting" millions of dollars, hired National Commuter Service out of Florida to fly some of its routes Saturday morning. Mr Curling was not prepared to say how much this service cost the national carrier. All he would say was that the bill would be "reasonable."

### Details of Government Loan

Nassau THE TRIBUNE in English 25 Nov 83 p 1

[Article by Athena Damianos]

[Text] Government will have to come up with more than \$50 million in 1985 when it starts repaying the \$150 million it borrowed to finance the Cable Beach Hotel and Casino and other Hotel Corporation obligations.

This explains Deputy Prime Minister Arthur Hanna's warning Monday that new taxes would have to be levied if the \$100 million Cable Beach venture isn't successful. Mr Hanna told almost 1,000 employees at the hotel's

"soft" opening that they must perform well because "you can't close a hotel down and you can't burn it down to collect insurance."

Since borrowing \$150 million from a consortium of banks and lending institutions brought together by the Bank of Nova Scotia in 1981, Government has only been paying interest on the loan. Government has the right during the first four years of the eight-year term of the loan to pay only interest.

"The real crunch will come in 1985 when Government has to start paying on the principal," a financial analyst commented today. He was of the opinion that Mr Hanna is "softening up the public" for possible new taxes.

The money was borrowed at an interest rate of about 1 1/8 per cent above the three to six month London Inter Bank Offer Rate.

At the time the money was borrowed, the interest rate was about 20 per cent. At 20 per cent, the cost per year for interest alone is about \$30 million. However, the London Inter Bank Offer Rate is currently around 10-11 per cent, bringing the interest down to about \$15 million a year. The interest rate is expected to remain at the same level for a while.

In the last four years of the loan, Government will have to pay millions of dollars in interest plus \$37.5 million per year to liquidate the capital. This means that in 1985, Government will have to pay \$37.5 million on the principal in addition to interest in the area of \$15 million.

The financial analyst with whom THE TRIBUNE spoke estimated that the 700-room Cable Beach Hotel will have to have year round occupancy of 80 per cent to make a profit. However, it is quite likely that income from the casino, which is managed separately from the hotel, will be used to subsidize the hotel, if this becomes necessary.

"What this means is that money, which should be going into the Public Treasury, will be going into the hotel," the financial analyst commented.

Wyndham Hotel Company out of Dallas has the contract to manage the Cable Beach Hotel. But, the Hotel Corporation of the Bahamas has not made the terms of the contract public, even though it is a public corporation. In fact, the life of the contract was never revealed. It has only been described as "long term."

This has led to widespread speculation that there may be a clause in the contract enabling Wyndham to pull-out if a certain profit ceiling is not realized.

Peter Streit, president of Wyndham, has operated major hotels in the Bahamas over the past 15 years and has had dealings with the Hotel Corporation in the past.

Mr Streit told THE TRIBUNE in August that "we are looking to be profitable in the first year of operation. That is a fact...we will be profitable in 1984."

In May, 1981 former Social Democratic Party leader Norman Solomon branded the loan as "irrational economic madness" in the House of Assembly.

He said that servicing the public debt of borrowings cost Bahamians in excess of \$45 million in 1981, excluding any payments on the \$150 million loan.

"The major question the government has got to answer is this: Where is the revenue coming from to service the interest payments and to repay the capital sum. The government will have no sensible answer to offer simply because a sane and rational answer does not exist," Mr Solomon said at the time.

CSO: 3298/292

## ELECTRICITY CORPORATION, WORKERS IN TENTATIVE ACCORD

## Union Conditions

Nassau THE TRIBUNE in English 25 Nov 83 p 1

[Article by Anthony Forbes]

[Excerpts]

BAHAMAS Electrical Workers Union officials and BEC management met this morning to discuss several conditions attached by union members to a tentative three-year industrial agreement which they unanimously approved at a general meeting Tuesday night.

Neither union nor BEC officials were available to comment on whether union demands, which included the immediate withdrawal of disciplinary letters against union members recently, had been met by management.

A union spokesman said today that the general membership voted unanimously Tuesday to accept the tentative contract. The formal signing is expected within weeks after the agreement is approved by the Board of BEC and the Ministry of Works and Utilities.

"They voted to accept the tentative agreement on several

conditions," the spokesman said.

According to the spokesman, the first condition is that BEC management immediately withdraw all disciplinary letters issued to employees at the corporation during the dispute between October and November.

The spokesman said that another condition is that the corporation accepts the amendments made to the draft agreement that was sent to Chief Personnel Officer Dr Albert Ferguson.

"They haven't responded to us as yet," the spokesman said.

The agreement, which ends months of stormy negotiations and industrial unrest at BEC, provides substantial wages and salary increases, a 10 per cent compound interest over the life of the contract.

But it is understood that employees are annoyed by man-

agement filing disciplinary letters in the employment records of union members, who are being charged with performing their jobs unsatisfactorily during the dispute.

The union is concerned that the disciplinary letters, which will not result in suspension or the docking of pay, will nevertheless affect whether the employees will get future promotion.

The union-approved draft agreement has been returned to management on Wednesday and when signed, will replace the old three-year contract which expired on April 30, 1983, leading to the troubled negotiations which resulted in the tentative agreement.

In the tentative contract, wage and salary are expected to be made retroactive to May 1, 1983.

## Disciplinary Letters Roadblock

Nassau THE TRIBUNE in English 28 Nov 83 p 1

[Article by Anthony Forbes]

[Excerpt]

GENERAL Manager Peter Bethel said today that the

Bahamas Electricity Corporation refused Friday to

withdraw disciplinary letters against BEC workers during a

meeting with the Bahamas Electrical Workers Union, which made the withdrawal a condition of signing the new tentative three-year industrial contract.

Mr Bethel also said that as a result the union indicated that it

will continue its industrial action - work to rule and a ban on all overtime work - until the disciplinary letters against over 12 employees, filed over the past two months, are withdrawn.

The BEC general manager said that the union's linking the disciplinary letters to the signing of the agreement will "delay" the contract signing until the dispute is settled.

### Disruptions, 'Sabotage'

Nassau THE TRIBUNE in English 30 Nov 83 p 1

[Article by Athena Damianos]

[Excerpt] The Bahamas Electricity Corporation was today hit with "sabotage," a sickout and a bomb scare.

After tentatively agreeing to a new labour contract eight days ago, negotiations between BEC management and the Bahamas Electrical Workers Union have broken down. The workers are on a go-slow and have banned all overtime work.

About 85 per cent of the workforce at the Big Pond distribution station, which is responsible for restoring power, stayed off the job today--hours after three cables, which feed the eastern end of the island, were cut.

When bleary-eyed residents in the east wakened this morning, many of them couldn't wash because their private wells work by electricity. Those areas affected were Eastern Road, Fox Hill, Seabreeze Estates and Winton Meadows.

BEC general manager Peter Bethel said that the cable damage is exterior. He hoped that temporary power would be restored sometime this afternoon.

"There are cables which go up the side of the poles and they have been damaged, obviously with some cutting implement," he said. Mr Bethel said the cables appear to have been the objects of sabotage.

Wendel Pratt, senior planning engineer, said the damage to the cables is major and "it will be quite a while" before they can be repaired.

"We are trying to make some emergency restorations. Apparently the cables have been badly damaged," Mr Pratt said. He said a temporary overhead line will be used to restore power to the eastern part of the island.

A skeleton crew was supposed to be working on the overhead line this morning. However, when THE TRIBUNE visited the area, nobody was there from BEC.

About 85 per cent of the employees at the Big Pond and Clifton Pier stations did not go to work today. Mr Pratt said that some of the workers telephoned in sick and "some of them didn't call. They just stayed away."

Between 10 and 11 this morning, somebody called BEC's Accounts and Purchasing department on Bay Street and said a bomb would go off at 11.30 am.

Workers were sent scurrying outside while the police were called in to search the building. No bomb was found and the employees were back at their posts before noon.

This is not the first time that BEC has reported that it has been crippled by sabotage. Around October 9, three cables were damaged in the Lyford Cay area. Two of the cables were apparently damaged by a bullet hole and the other severed almost in two by a sharp instrument.

Said chief distribution engineer Freeman Duncanson at the time: "Suspicious events have been going on at BEC since employees began a go-slow, which affects the length of time in which repairs are carried out. Right now things are almost at a standstill. Several of our vehicles have been disabled with flat tyres. We have 11 vehicles with a total of 15 flat tyres."

CSO: 3298/293

## ROMNEY, CABINET SWORN IN, VOWS HARD-WORKING GOVERNMENT

Road Town THE ISLAND SUN in English 19 Nov 83 pp 1, 10

[Text]

Mr. Cyril B. Romney was sworn-in as Chief Minister of the Territory on Tuesday midnight of this week (15th November, 1983) at Government House ceremony, in the presence of His Excellency Governor David Barwick, United Party elected members of the Legislative Council and Ministers of the new Government, family, friends and guests. On hand were also the Press and Radio Station media.

Other Ministers of the new Government, who were also sworn in were: Hon. Conrad Maduro (Minister of Social Services), Hon. Willard Wheatley (Minister of Natural Resources and Environment), Hon. Walwyn Brewley (Minister of Communications, Works and Public Utilities). Also taking the Oath (as Member of the Legislative Council and governing elected body) was Hon. Earl Frazer, who is expected to be elected at the first sitting of the 10th Legisla-

tive Council as Deputy Speaker of the House.

The Oath was administered, individually, to the new incumbents by the Attorney General, Hon. Lewis Hunte, after they were introduced by the Governor. There were two Oaths, one was the pledge of allegiance to Her Majesty the Queen, and the other to faithfully perform the duties and responsibilities of the Office.

His Excellency The Governor, in brief remarks, expressed best wishes to the new Chief Minister and his team, and said that he looks forward to good and efficient Government. The new Chief Minister, who was invited to speak by the Governor, in his brief remarks, pledged a hard working Government. "I can assure you that I and my team have the experience and will live up to our obligations in serving the people."

Following the ceremony, there were serving of refresh-

ments, and there was cordial and interesting conversation all around.

Mr. Romney in the recent general elections for the 10th Legislative Council, was elected in the Fifth District as an Independent Candidate in a field of three other candidates. The two organized Parties - V.I. Party and United Party - in the elections were able to elect only four candidates each, thereby lacking the majority of one on either side. Mr. Romney (as an Independent) chose to join the United Party foursome to form the majority of five, and was selected as the candidate most suitable for the post of Chief Minister and the forming of the new Government. This was accepted by the Governor, as was expected under the Constitution, and the wheel started to turn and led to the swearing-in ceremony at Government House last Tuesday - A New Government.

## GOVERNMENT BUDGET FOR 1984 DETAILED

Bogota EL SIGLO in Spanish 9 Dec 83 p 9

[Text] Of the central government's budgeted expenditures for fiscal 1984, 24.5 percent will be used for public investment, 60.7 percent will consist of operating expenditures, and the remaining 14.7 percent will be used to service the foreign debt.

A comparison of those percentages with those for 1983 reveals little change, although the government's objective is to increase public investment thanks to the effects of the tax reform and a policy of austerity in government spending.

But the government's goal can only be achieved in the medium or long term, since several years will be required to adjust spending and execute the budget.

The budget for central administration and the decentralized organizations, which totals 826,781 million pesos for fiscal 1984, was passed by the Congress of the Republic and later approved by President Belisario Betancur, but it has been subjected to criticism by the Office of the Comptroller General and a few experts, who feel that the projected revenues and collections are too ambitious. They say that the tax problem during 1984 is going to be even more severe.

The government has been able to handle the tax crisis for the present thanks to an increase in its domestic line of credit at the Bank of the Republic and a special economic recovery tax, and this is reflected in a sizable drop in the deficit on the three fronts of the national accounts: budget, taxes, and treasury.

The projected increases in national and regional tax collections are based on a broadening of the tax base as called for in the 1983 reform, which will take full effect in 1984 when Colombians file their income tax returns for 1983.

In the opinion of experts, the expected effects are not going to be produced in their entirety, and while revenues will increase, the rise will not be as great as projected. As a result, the country will again find itself facing a tax crisis, but this time the deficits may be larger than those recorded up to a few months ago in the national accounts.

The comptroller general points out in his latest report that the real monetary deficit in the country totals 102 billion pesos. The government says that



although the deficit is substantial, it is not as big as the sum indicated by Comptroller Rodolfo Gonzalez Garcia, who has also challenged some of the figures in the new budget for 1984, when the country expects to enter a new phase of real increases in public investment as one more contribution to the national economic recovery.

#### Budget

Law No 39 sets a total value of 435,220,170,000 pesos on income and capital resources for the central government, with direct taxes being calculated at 145,354.1 million pesos and indirect taxes at 211,359.2 million.

Under the heading of nontax revenues, rates and fines are calculated at 7.33 million, and contractual income is estimated at 2,652.1 million pesos. The total in current revenues therefore comes to 366,699,417,000 pesos.

Capital resources total 68,520.6 million pesos, consisting of 62,572 million in domestic credit and 5,948.6 million in foreign credit.

Under the heading of contractual income, the largest contributions to the budget include those from the Houston Oil Company (136.4 million pesos from the Neiva concession and 103.7 million from the Tello concession), Condor Concessions, Inc. of San Pablo (18.4 million pesos), and International Petroleum Colombia (33.4 million from its Provincia concession).

The national stamp tax is expected to yield 9,403.5 million pesos, and the exit visa stamp is expected to provide 450 million pesos.

Under current revenues, the income tax and surtaxes will total 145,145.1 million pesos in 1984, while customs duties and surcharges will yield 61,619.2 million.

Taxes on production and consumption: the sales tax will total 92,700 million pesos, and the ad valorem tax on gasoline and ACPM will total 28,128 million.

In the expenditure budget for the central government, operating expenditures total 264,208.6 million pesos, debt service 64,223 million, and investment 106,788 million.

The budget structure for the decentralized sector reflects a total amount of 391,560,944,000 pesos, of which 11,754 million are being provided by appropriations from the national budget, 225,093.9 million will come from self-generated income, and 54,712 million will come from financial resources.

11798

CSO: 3348/145

## LABOR MINISTER REQUESTS MINIMUM WAGE SOLUTION

Bogota EL ESPECTADOR in Spanish 7 Dec 83 pp 1-A, 9-A

[Text] Minister of Labor Guillermo Alberto Gonzalez Mosquera has vigorously urged the members of the subcommittee on wages to present a specific proposal at the next session of the National Wage Council [CNS], asked that there be no further digressions in the discussion concerning the amount of the increase, and announced that within 2 weeks, the country may have the good news concerning the new minimum wage that will be in effect during 1984.

Representatives of various government bodies submitted reports related to the country's activities and its economic crisis, and the data in those reports will be considered in setting the basic monthly pay for over 3 million Colombians.

The report submitted by the representative of the Administrative Department of Civil Service, Ramiro Calderon, states that the unemployment level nationwide is only 9 percent, not 12 percent as reported by DANE [National Administrative Department of Statistics].

Juan Orlando Buitrago, national director of INTRA [National Transportation Institute], said that pending completion of a detailed study being carried out in 36 of the country's cities to consider 274 necessary factors in operating and maintaining the buses and minibuses used in urban public transit, the government will make no pronouncement concerning a fare increase.

The director general of the Social Security Institute, Hernando Zuleta Holguin, recalled that although the government has been committed since 1976 to paying 1.5 percent of the contributions, it has never done so, and he said that the rates had not been adjusted since that date.

He said it was urgently necessary that employer contributions to social security be adjusted so that the reserves for high-risk pensions will not be exhausted. Otherwise, they might be wiped out within 5 years.

At the conclusion of the meeting, the council agreed to meet at 9 o'clock next Monday morning to hear the reports by Rodrigo Marin Bernal, minister of economic development, and Carlos Martinez Simahan, minister of mines and energy. Following that session--at about 11:30--the subcommittee on wages will meet to draw up the proposal that it will submit to the full council next week.

It is anticipated that the amount of the new minimum wage will be decided by 22 December [1983].

#### ANUC Proposals

A three-member delegation from ANUC (National Association of Rural Land Users), headed by ANUC chairman Rodrigo Zapata, presented an analysis that the council members regarded as very responsible and very well documented.

One subject brought up by the leaders of the rural union concerned the need to outline serious and very clear policies for the rural sector, with an emphasis on paying more attention to day laborers.

The proposals submitted to the CNS by ANUC included the following: revise the law concerning the makeup of the CNS to give ANUC a seat in that organization for dialogue; establish labor inspectorates in all municipalities to keep a close watch on employers who disregard their obligations to labor; revise--or preferably, abolish--Law No 6 on sharecropping; and extend social security coverage to more peasants.

After listening to the speech by the delegate from the Administrative Department of Civil Service, FENALTRASE representatives Ricardo Diaz alluded to the 100,000 jobs lost in the past year and said that unemployment in the national public sector has risen to about 30 percent.

#### Practical Phase of Deliberations

In an emphatic speech, the delegate from the UTC [Union of Colombian Workers], Jorge Carrillo, flatly appealed to the CNS members to stop filling the sessions with a lot of figures, saying that "the time has come to get into the practical phase of drawing conclusions so as to set the amount."

He showed that the national deficit, which exists in practically every government organization, is due to the administration itself and is not the fault of the workers.

He said that the crisis was the government's fault, not that of the workers, and he insisted that the council start debating the amount of the increase rather than going on with so many figures, since most of them are known already.

The minister of labor agreed on the need to speed up a decision on the increase in the minimum wage and said that after the plenary session scheduled for next Monday, he will not call a full meeting of the CNS again until the subcommittee on wages presents a specific proposal ready for immediate discussion.

#### Government Organizations

The civil service representative said that the 450,000 workers at the national level are costing the government 240 billion pesos annually, excluding officials who deal with statements of petition.

He said that 7,248 employees earn the minimum government wage of 9,300 pesos and that 23,231 are paid 13,000 pesos per month as their basic pay.

He brought up the need to cut back on overtime, establish part-time positions, and eliminate high-paying jobs.

The director of the Social Security Institute said that a 1-percent increase in the minimum wage would cost the institute 90 million pesos annually, while a 10-percent increase would cost it 900 million pesos, and a 15-percent increase would cost it 1.35 billion pesos.

He added that the Social Security Institute could handle that burden, but that organizations such as CAJANAL and the municipal and departmental [political subdivision] funds could not.

11798

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## BETANCUR ADDRESSES COFFEE CONGRESS ON 5-YEAR PLAN

Bogota EL TIEMPO in Spanish 7 Dec 83 pp 1-A, 9-C

[Article by Carlos Pineros]

[Text] Yesterday Colombia proposed limiting the world's coffee supplies to 28 million bags, and in order to eliminate over-production of coffee in Colombia, it announced the start of a 5-year crop-diversification plan, to cost 20.851 billion pesos.

President Belisario Betancur, while making this announcement, said that 150,000 small coffee growers will receive subsidies and "soft" credits in order to replace their seeds and combat rust.

President Betancur said that the government has delegated to the National Federation of Coffee Growers the responsibility for starting this process, by which the coffee cooperatives will take part in coffee sales on the international market.

Betancur said that 120 billion pesos will be pumped into the coffee sector during the next 12 months in order to maintain 1 million jobs; he stated that the agricultural diversification plan will be a forceful response to the dangers which could be created by a worldwide coffee surplus.

The president spoke of the campaign for peace and mentioned the wisdom of the coffee agreements between consumers and producers. He made these comments at the opening in Bogota of the 42nd national congress, attended by 60 delegates, top government officials and representatives of the private sector.

The imposition of a coffee withholding plan (in kind on exports) in a proportion of 65 percent is necessary in order to meet the commercial obligations of the National Coffee Fund, suggested Jorge Cardenas Gutierrez, administrator of the National Federation of Coffee Growers.

He criticized Costa Rica, Honduras, Guatemala, El Salvador, and Nicaragua for selling surpluses of coffee beans too early, and at prices 50 percent under those set by the International Coffee Agreement.

This behavior has hurt Colombia, as these price quotations are set on a worldwide basis and do not allow higher prices for Colombia's milder beans, he added.

Cardenas Gutierrez praised the actions of the chief of state in dealing with the United States government and with major international institutions in seeking financing for Central America to purchase the coffee harvest and to manage the coffee stock.

In his lengthy report on the 1982-1983 coffee season and on the prospects for the 1983-1984 season, the head of the federation repeated the Colombian proposal to the OIC [International Coffee Organization] to set production quotas and to place surpluses, without cost, in the OIC, which would then be used to handle any possible market shortages.

According to the research done by the coffee institute, the rust disease is being limited to small areas and it will cost under 2 percent of the production to control it between 1983 and 1986.

At the end of the decade, the cost will not reach 8 percent, according to these studies. Small coffee growers will be given preferential attention for credit and assistance by the federation and the government, observed Cardenas Gutierrez.

#### Diversification Plan

The coffee organization's leader, who yesterday presented the first report on his first year in office, said that "the federation has begun to prepare and finance a new development and diversification plan."

The 5-year program is under consideration by the National Planning Office and by the World Bank, "which received it with approval," he said. The plan contains the following initial goals:

1. The involvement of 20,000 growers with 112,400 hectares in agricultural production.
2. Planting of 28,100 hectares of woods.

3. Financing of 100 associations, 34 collection centers, and 37 coffee growers supermarkets (fruits and vegetables sections).

4. Financing of 60 agro-industrial projects.

The plan, whose cost amounts to 20.851 billion pesos, is expected to provide jobs for about 79,000 people, and to generate an annual production of 337,000 tons of fruits, 4,800 tons of cocoa, 265,000 tons of vegetables, and 51,000 tons of beef, said the federation leader.

The diversification plan will try to encourage present coffee producers to replace their crops by growing other foods, which will offer them at least the same yields. In that way the plan will attempt to eliminate overproduction.

Colombia has inventories of 10.2 million bags of coffee; storage costs for this coffee amount to 2 billion pesos a year. According to President Betancur, the stock should not exceed the level of a 6-months export supply. If national sales abroad amount to 8.4 million, inventories should be 4.2 million. Current production is about 13 million bags, so that the coffee inventory is growing by about 2 million bags a year.

According to the statistics cited by Cardenas Gutierrez, the international price for Colombian coffee will be an average of US \$1.40 per pound, a good figure, in his opinion.

He stated that the government's handling of the coffee policy has adapted to the reality of the market and has corresponded to expectations of better prices for the growers.

#### The Betancur Kidnapping

During its opening session, the congress approved a statement condemning the kidnapping of Jaime Betancur Cuartas, brother of the chief of state, and expressed the congress's feelings of solidarity with him. The text approved reads as follows:

"The 42nd National Coffee Growers Congress condemns the kidnapping of Dr Jaime Betancur Cuartas, a state councillor, an eminent professor and exemplary citizen, as an act in violation of individual liberty, human rights, and of the basic principles of society."

"The congress presents his brother, the president of Colombia, with this testimony of its solidarity and joins in the outcry

of the Colombian people calling for the prompt return of Dr Jaime Betancur, safe and sound, to his home and to Colombian society, which has in Dr Betancur one of its best models and servants."

#### Statement of the Congress

In a three-page report the congress summarized its needs and aspirations and its unflagging support for the effort to obtain national and world peace.

"The congress feels that it is a matter of urgency for the government to allow the National Coffee Fund access to the financing quotas available in the Bank of the Republic, as it has done for other major sectors of the economy," said one of the fundamental points of this statement.

The congress also advocated the diversification of crops and earnings allowing coffee producers to deal with rust disease in less difficult conditions. The government is preparing a domestic price increase, with the price rising from 14,150 pesos to 14,400 pesos for a 125-kilo quantity.

The request for credit from the Bank of the Republic would require a monetary issue that would expand the money supply, threatening even greater inflationary pressures. The coffee growers feel that it would be better to invest securities in the market, as is done at present, producing earnings that would increase the amounts paid by the fund, the federation, and the growers.

#### Ready to Fight

Pascual Correa Florez was elected president of the 42nd National Coffee Growers Congress. In his inaugural speech he said that "we coffee growers are ready to take on the risks and make the sacrifices required by the presence of the rust disease in order to save Colombia's leading industry."

In his opinion, the disease "will demand doubling our efforts in the areas of crop diversification, the development of agro-industry, and all such activities in coffee-producing areas that are compatible with the cultivation of coffee."

The inaugural ceremony took place at 0900. Shortly afterwards, a preliminary congress chaired by the former minister of finance, Alfonso Palacio Rudas, listed the final topics to be debated, in discussions which will last until Friday.



## Betancur's Speech

President Belisario Betancur yesterday placed emphasis on the fact that "the coffee growers should plant and produce their own foods," and he reported that talks are in progress with the World Bank about financing the 5-year crop diversification plan.

Betancur spoke as follows:

"We must continue to persevere until we obtain international cooperation; we need a production policy in order to guarantee the mid and long-term stability of the agreements. To date the agreement has operated on the basis of control of inventories by each country, and with occasional, but significant, financial support from third parties. In the future, there is a danger of a worldwide coffee production surplus--and consequently of huge volumes of coffee stocks--greater than any market regulatory mechanisms could handle. Such a danger should be averted by taking action at the right time."

"The majority of the coffee-producing countries have developing economies which can not waste their resources in a needless stockpiling of inventories. For this reason, I believe it would be wise to establish production goals enabling us to keep on hand stocks no larger than the equivalent of 3 to 6 months of exports. In designing such long-term policies, we must include instruments for financial and technical cooperation in activities such as diversification, agro-industries, and rural development, which should always stimulate the creation of new jobs. The financial support required to create these jobs would benefit the producing countries, with the gains measured in terms of larger and more widely distributed added earnings; and for the consumer nations, that support would provide a guarantee of stability for the coffee market and for the economies to which they export their industrial products. It is ridiculous to continue to store from 8 to 10 million bags of coffee a year, in addition to the current stockpiles which already amount to the equivalent of a year's worth of coffee consumption all over the world."

## Domestic Coffee Policy

According to President Betancur, "in Colombia's coffee industry, the policy developed in cooperation with the National Committee has been designed to bring about fair trade, in harmony with the strategic goals of recovery, consolidation of development, and orderly social change, all applied to the particular nature and special needs of the coffee sector, both for its immediate

impact on coffee industry families and also as a stimulus for the rest of the economy. Therefore, the government wants to conserve and improve the income of the coffee growers, by adjusting the domestic price of coffee, a price adjustment that will preserve their purchasing power and make their earnings an instrument for triggering demand for Colombian products."

"It is worth recalling that from August 1982 until today the domestic price has been readjusted four times, until reaching the current level of 14,150 pesos per load."

"This improvement in the real income of the coffee growers is part of our overall peace policy: the well-being of over 300,000 coffee-growing families is one of the central concerns of our coffee policy."

"To achieve this we have chosen mechanisms to pump into the sector over 120 billion pesos over the next 12 months, by purchasing the harvest and by investments in departmental committees, which will make it possible to maintain about 1 million jobs related to the cultivation and sale of coffee beans."

"And because we understand this, we are smoothing the way for the price readjustment by means of a gradual rollback in the "ad-valorem" tax rate from 12 to 6.5 percent. The cost to the treasury of this tax cut has been about 3.6 billion pesos during the 1982-1983 season."

#### Exporting Cooperatives

The chief of state said that in 1983 the departmental committees invested over 4 billion pesos in health, aqueducts and roads, rural electrification, education, reforestation, technical assistance, diversification and support for cooperatives.

"The cooperatives already buy over 50 percent of the harvest, which is almost all of the federation's purchases, and they want to initiate direct participation in sales abroad. The government has delegated to the federation responsibility for starting this process, in order to help the coffee growers and the coops, and so they may avoid the dangers which bankrupted salesmen and merchants who in the past have acted without reasonable caution. We believe in the cooperative system, whose workings we have studied in the Philippines, in Israel, in Sweden, and in other countries. They have our enthusiastic support."

## Diversification

On the topic of diversification, Betancur said: "I want to emphasize the idea that the coffee growers should plant and produce their own foods and supplement their earnings with other productive activities. With that in mind, talks are now in progress with the World Bank to obtain additional resources to strengthen these programs: when diversification moves forward, the coffee growers will be in a better position to defend their own interests during times of hardship."

"We are aware of the need for an efficient long-term coffee production policy. I have stated this in a number of international forums, as I said earlier."

"The government supports the initiatives which the federation is promoting in this area. We believe that the nation can not and should not resign itself to accepting growing inventories of coffee in an indefinite manner; we believe that production can be rationalized so that its competitive capability will be made stronger in the future, so that our defenses against the threat of rust disease will be improved, and so that excessively high levels of inventories will tend to disappear. For these stockpiles create a heavy burden for the Coffee Fund and for the coffee grower's earnings."

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## CONPES DEFINES NEW IMPORT POLICY

Bogota EL ESPECTADOR in Spanish 9 Dec 83 p 7-A

[Article by Gabriel Angel Ardila]

[Text] A new orientation for import policies aimed at reducing the outflow of foreign exchange and inducing Colombian firms to move toward the production of capital goods was announced by Rodrigo Marin Bernal, minister of economic development, at the conclusion of meetings yesterday by the Council of Ministers and CONPES (National Council for Economic and Social Policy). The meetings were held at Narino Palace.

The minister of economic development also said that work was continuing on plans for the new sales tax rules and that despite the difficulties that have arisen, those rules would be completely worked out by 31 December [1983].

In a talk with EL ESPECTADOR, Marin Bernal said: "The new policy adopted by CONPES is aimed at two basic objectives: to reduce the cost in foreign currency of Colombia's propensity to import and to lay the foundations for a new industrial attitude in our country--one aimed at the production of capital goods."

He recalled that the Colombian Government spends 30 percent of its foreign exchange on imports in particular of fuel, foodstuffs, and capital goods.

"This policy is intended to restructure lines of credit and financing so as to strengthen the production and sale of capital goods.

"The government recognizes that one of the chief limitations faced by government organizations in making local purchases stems from their insufficient funds for increasing their level of domestic supplies."

He explained that the strengthening of lines of credit is to be achieved by the use of foreign funds and funds from domestic private savings.

#### Purchasing Rules

The minister of economic development said that CONPES had also ordered the prompt issuance of rules implementing Decree No 222--designated the Statute on

Government Purchases---to define who is really a national producer in this country while simultaneously establishing procedures and mechanisms for technological dispersion.

The definition of who the producers are will be used as an instrument for genuinely favoring national producers.

The tariff policy will also be aimed at increasing protection for the capital goods industry without detriment to the standards for efficiency and productivity, said the minister.

On the other hand, "specific instructions are to be sent to government organizations to help them carry out the stages of industrial dispersion, the preparation of specifications, and the awarding of investment projects."

In addition, pursuant to the decisions approved at the CONPES session 2 weeks ago, work has begun to amend Decree No 2248 of 1972 regulating government purchases abroad by departments [political subdivisions] and municipalities. The intention is to bring this decree into line with the doctrine established in the Statute on Government Purchases (Decree No 222/83) so that all government organizations will comply with the prescriptions of a common policy on the subject of imports.

#### Sales Tax

Concerning revisions to the sales tax, Minister Marin Bernal announced that they are still under study by the organizations involved, and he emphasized that dialogue with the production fronts is continuing.

That was his answer to statements concerning the new sales tax rules from such associations as ANDI [National Association of Industrialists], FENALCO [National Federation of Businessmen], and ACOPLASTICOS [Colombian Association of the Plastics Industry], which have criticized the possible revisions to the rules on the grounds that they are contrary to the interests of trade and national industry.

Marin Bernal told this newspaper that the government regards all the criticisms from the associations as a contribution to the process and that the matter is expected to be settled in a balanced manner.

He said that in any case, the sales tax rules would be defined before 31 December [1983], since that is the deadline established in the special powers conferred on the executive branch by Congress.

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## GULF OIL, ECOPETROL TO REEVALUATE LOWER MAGDALENA REGION

Bogota EL SIGLO in Spanish 9 Dec 83 p 9

[Text] Under the terms of an agreement between ECOPETROL (Colombian Petroleum Enterprise) and Gulf Oil of Colombia, Ltd., the two firms will carry out a technical evaluation of the Lower Magdalena and Sinu sedimentary basins and the adjacent undersea shelf.

After a year of negotiations initiated by ECOPETROL in November 1982 with a view to producing a geological, geophysical and geochemical synthesis of the petroleum and gas characteristics in a region whose geological importance has declined following 60 years of exploration and the drilling of over 150 dry wells, only Gulf Oil was interested in coming up with a new interpretation of the region's geological realities and expressed a desire to join in the venture with ECOPETROL. Chevron, Cities Service, Houston Oil, INTERCOL, Occidental, and Texas Petroleum declined to participate in the joint technical evaluation.

In the sedimentary basins to be covered by this new technical evaluation under the Gulf Oil-ECOPETROL agreement, the only discoveries have been sizable reserves of gas in Jobo-Tablon (Sucre) and in Ballena, Chuchupa, and Riohacha (La Guajira), gas and condensate reserves in El Dificil (Magdalena), and crude oil in the fields around Cicuco (Bolívar).

The agreement signed with Gulf allows 24 months for a technical synthesis of the available data and the supplementary studies that ECOPETROL and Gulf consider appropriate. During the months following conclusion of the technical synthesis, ECOPETROL and Gulf may sign normal partnership agreements covering a total of up to 1.5 million hectares in sectors of more than 500,000 hectares and with the obligation to drill three wells per year.

This type of survey has yielded excellent results in other sedimentary basins with characteristics similar to those in Lower Magdalena and the Colombian Caribbean. The hope is that it will be possible to resolve the unknowns concerning conditions for the formation and accumulation of hydrocarbons and, at the same time, to take advantage of the current worldwide recession in petroleum exploration activity and the resulting underutilization of personnel and surveying resources in such firms as Gulf. The nation, which owns the subsoil, and ECOPETROL, whose technicians will participate actively in the project, will have free access to all the information resulting from this joint effort.

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## EXILED WRITER REVILED FOR ABANDONING REVOLUTION

Havana PRISMA LATINOAMERICANO in Spanish Oct 83 pp 41-43

[Article by Lisandro Otero]

[Text] When, in October 1965, Guillermo Cabrera Infante boarded a plane at the Rancho Boyeros airport and, passing the point of no return four hours later, said that he would never return to his country because he "was leaving his homeland to historic erosion," he was unwittingly surrendering himself to the corrosion of his own resentment and his prospective extinction as a writer.

With that decision, undoubtedly made long before, he was effecting a transition in a brief and winding career. If he had announced the news at that time over a loudspeaker heard, in alphabetical order, from Abadan to Zurich, it would have surprised no one.

Cabrera Infante was born in the hills of Gibara in the province of Oriente, land of the poor and unfortunate who from their dilapidated perch looked over the homes of the rich down below, lining the sea, fanned by its breezes. His father was a telegrapher for the town and a man of dignity: Along with his mother, they joined the revolutionary forces at a difficult time and always marches with the vanguard of the working class.

This was not true of Cabrera Infante, who went through a "rebel without a cause" period and a Scott Fitzgerald-type angst, driven by ambition and the desire to possess, in short, the social climber syndrome. He could have repeated the romantic and idealized observation Fitzgerald made to Hemingway: "The rich are different from us," to which the latter responded in his gruff, sardonic style: "Yes, they have more money."

A friend once asked him why he did not use the experiences of his narrow beginning more in his stories. He answered that poverty had left such a residue of bitterness that it was not even good for literature. No such reply would have been given by an Erskine Caldwell, a Gorky, Theodore Dreiser or Knut Hamsun. Actually, Cabrera Infante was not expressing his own conception of literature, but rather, his ambitious greed.

But the days in Gibara ended and the family moved to Havana. He confessed that it was a day in July 1941 when they settled in a tiny room, hut or plot of

ground at 408 Calle Zulueta and that his adolescence began that instant. It was also the threshold of his introduction to culture and his fascination with the distorted lens of Havana, which left its indelible stamp of melancholy on every page he ever wrote.

All the initiation ceremonies of his cult have been recorded in his book "La Habana Para un Infante Difunto" and we are not going to repeat them. It is a series of sentimental adventures, real or imagined and of exaggerated importance which, as someone commented, "If it were a matter of Gregory Peck, the man from Brantome, Anais Nin or Havelock Ellis, one could understand such emphasis...." All of which only shows that this book is clearly the rending of the turncoat and the nostalgia of the man without a country.

In Havana, Cabrera Infante was a proofreader and later a movie critic who used the pseudonym -- a stupendous choice, given his idiosyncrasy -- of Cain. He was an irrational, extravagant and arbitrary critic who, far from guiding the public, outdid himself in shooting off the fireworks of his self-worship and the hyaline iridescence of a false erudition. Cabrera moved up from proofreader to critic by singing hymns of praise to the horrible narrations of Antonio Ortega, a Spanish exile who first served as editor in chief of BOHEMIA and later as editor of CARTELES. Ortega also made Cabrera Infante his private secretary.

As a film critic, he was enrolled in a marathonlike excursion of domesticated Latin Americans, invited to New York by Mike Todd and Elizabeth Taylor to the premier of the movie "Around the World in 80 Days." From that glamorous trip, he returned more fascinated than ever with sophistication, frivolity and cosmopolitanism, like a village transplant, a tinhorn drunk on other pastures, a parvenu, a boor putting on airs. The leap from the hills of Gibara to Manhattan was difficult to digest. Upon his return, he confessed to anyone willing to hear him that he could no longer live without the bourgeoisie which was beautifying the world with its superhighways, supermarkets, superillumination.

Cabrera Infante was realizing the typical ambitions of the petty bourgeois: a convertible car, however ugly and dilapidated. And while the skies were opening up so that a ray of light might show him the face of God, the revolution came and the scale of values he had built fell apart in the midst of a great tumult which he could not understand.

It is likely that Cabrera Infante would have disappeared very rapidly in the revolutionary turbulence of 1959. Perhaps he would have left the country in the early weeks after the Rebel Army entered Havana if it had not been for an old friend, Carlos Franqui, and although that personage should be the subject of another article and not this one, it is impossible to understand Cabrera Infante without the Franqui connection.

Franqui would have been a dilettante with art critic airs, a plastic arts aficionado. He never would have succeeded in any creative endeavor, which turned him into a frustrated man. But the road to escape for more than one failed artist has been the bureaucracy and for that reason, Franqui tried to



control culture in an all-encompassing fashion in the new social situation being created in Cuba. He failed and found himself with the newspaper REVOLUCION, whence he maneuvered in such a way so as to put his protege Cabrera Infante in the Directorate of Culture of the Ministry of Education. However, Cabrera did not last long in the Ministry of Education. His irritating personality and arrogance brought about his failure in that office.

Thus, on 6 April 1959, they founded LUNES DE REVOLUCION, as a cultural supplement to the newspaper. It emerged with such outlandish hegemonic pretensions that within a short time, it had both a television and radio program as well as an editorial.

Cabrera Infante was always a man of enchanting disinformation about economic and historic problems. While he choked on William Faulkner, from whom he blatantly plagiarized, he underestimated political analysis. He was always a hedonist more than a rational man, living for feelings and emotions rather than judgment and objectivity. He was more educated than deductive. Marx and Engels were good for nothing for jokes and tongue twisters; Hegel a target of mockery and ambiguity. With such an old tub and few sails, it was logical that he would have difficulty navigating in a period of turbulent waters, serious institutional changes, far-reaching breaks and fertile foundations.

One of the first cultural organizations created by the revolution was the Cuban Institute of Cinematographic Arts and Industry (ICAIC), where Franqui's protege went for the purpose of organizing the nonexistent Cuban cinematography. And yet, far from doing so, Cabrera Infante began to foment quarrels and stir up rivalries. He wanted control of the incipient organization and his administration, far from being edifying and useful, was divisive and sterile because he tried to turn what should have been the potential foundation of the new national cinema into a personal feud.

At that time, he still passed for a super-radical, recommending a ban on the entry into Cuba of certain books and spicing his dialogue with phrases from Saint Just. Actually, he was better acquainted with the latest summer fashion in Taormina than the rate of illiteracy in Bolivia.

LUNES DE REVOLUCION turned into the scourge of Cuban culture. Anyone not a member of the tiny clique or who did not cooperate with its hegemonic intention was harassed and worn down. Jose Lezama Lima was brutally impugned. Jose Ardevol and his followers also suffered attacks (Ardevol was a pioneer in the introduction of innovative composition and a master in the continuation of Cuban musical traditions). The National Salon of Painting and Sculpture was the victim of caustic, bitter criticism. Many intellectuals who were not revolutionaries but who did not oppose the revolution either were offended by those Jacobin phrases that tried to make extremism a cause.

The leadership of the revolution, up to that time involved in a battle for survival confronting the wild attacks of imperialism, a campaign to disseminate their ideology, an effort to lay the foundations for the economic transformation of Cuba, decided to establish order in that no-man's-land.

The first attempt was organized in the National Library in June 1961. Present were Fidel, Dorticos, Hart, Roa, Guillen, Carlos Rafael, Carpentier and hundreds of other intellectuals who, during three extremely long meetings, gave free rein to their opinions in the most open, spontaneous way. The colophon was a flexible, broad, generous speech by Fidel now known as "Words to the Intellectuals," a speech that opened the way to a new phase of national culture.

Before arriving at the talks at the National Library, Cabrera Infante, seeing the approach of a phase of institutionalization of culture and a homogeneous distribution of responsibilities, realizing that the omnipotent monopoly he wanted to create was getting away from him, created a little incident to stir up alarm among the intellectuals and become the champion of the allegedly threatened freedom.

A trivial documentary entitled "PM," which depicted the nightly entertainment of a certain sector of *lumpen*, was proclaimed to be the first victim of the "terrible Cuban Stalinism." The film had been seized and banned by draconian methods. None of this was true: The documentary had been reviewed by the ICAIC, in keeping with common practice in the country, even in prerevolutionary times, with respect to all films publicly shown. But Cabrera Infante's well-orchestrated campaign managed to make a number of intellectuals feel unsafe for a time. Fidel's "Words to the Intellectuals" dispelled this cloud of uncertainty.

It should be recalled that the year in which this happened, 1961, was the year the literacy campaign began, the preamble to the cultural revolution whose effects we felt at the time. It was the year that the mercenaries from Miami landed at the Bay of Pigs, the year when the United States broke off relations with Cuba and began to arm groups of counterrevolutionary bandits throughout the country. It was the year that the political and economic blockade of our island began to be organized.

What was Cabrera Infante doing when this occurred? While American imperialism turned out to be the worst enemy of the revolution and the Soviet Union and other socialist countries held out their hands to us, what was Cabrera Infante reading? His statements after 1965 answer the question: He was feeding on the virulent world of the cold war: that of Koestler and "The Yogi and the Commisar," of George Orwell and "Animal Farm," the world of the notebooks of Ignazio Silone and Stephen Spender, of the analysis of Rubashov by Merleau Ponty, the world of cheap confessions for readers of the *READER'S DIGEST* entitled "I Escaped From the Red Inferno," destined for the consumption of Missouri farmers, that of the negation of the class struggle by Raymond Aron, the bellicose thundering of John Foster Dulles, the false analyses of socialism by Milovan Djilas.

On 6 November 1961, LUNES DE REVOLUCION disappeared and with it, the last power base of Cabrera Infante collapsed. With the sinking of that ship, his anxious maneuvering and calculating craving to become the supreme mandarin of Cuban culture went down. Franqui managed to have him sent to Brussels as the Cuban cultural attache. That same year, the National Council of Culture

was founded and the first national congress of intellectuals was held. From it emerged the Union of Writers and Artists of Cuba emerged with Nicolas Guillen as president. The journal UNION and LA GACETA DE CUBA were founded.

A summary analysis of LUNES DE REVOLUCION reveals the damage done by that publication in the two and a half years it existed.

It should be recalled that in those early years, the United States began to plan the violent overthrow of the revolution and took various steps to achieve it. It did away with the sugar quota and it was the Soviet Union that acquired our surpluses. The United States ceased shipments of oil to Cuba, questioning our freedom of decision-making in foreign trade. It was the Soviet Union that continued to supply the fuel so that the national economy would not be paralyzed. It was the USSR that sent us weapons while the mercenaries were trained in Opa-Locka and Retalhuleu to invade Cuba. And yet, from the editorial of its first issue on 6 April 1959, LUNES DE REVOLUCION never ceased its diatribes against Soviet culture. One should ask: What was Cabrera Infante trying to do?

One should also ask why he exalted arch-reactionary Borges; why he proposed Israel's kibbutz as an attractive alternative when our agrarian reform was being set up in Cuba; why he devoted a whole issue to the cinema in which the ICAIC is scarcely mentioned; why he allowed deletions and errors in publishing maps of the socialist countries, especially over areas in conflict; why he tried to instill confusion and fear in Cuban intellectuals with a vandalistic, demolishing, terrorist evaluation of our culture; why he introduced problems, concerns and turbulence in the intellectual sphere, things foreign to our historical and political situation at that time; why, instead of serving the purpose of cultural dissemination, he encouraged snobism and substituted mimicry for transculturation; why, instead of serving up the sclerotic culture we inherited from capitalism, he devoted himself to frantic attacks, exotic trivialities, whimsical criticism.

When one thinks of the powerful work Cabrera Infante could have done with that powerful instrument with a quarter of a million weekly copies and realizes how little was done, it is most unfortunate. At that time, a phase of enormous thirst for education was opening up for our people. Illiteracy was being wiped out and people were voracious for knowledge. LUNES DE REVOLUCION could have been a decisive pedagogical vehicle. It was not enough to show the work of Alban Berg or Debussy -- although this would also have been positive and useful -- but rather, begin at the beginning, as our underdevelopment at that time required. The majority of our people could have benefited from a vehicle that educated and instructed them, rather than having a publication for the minority, a spokesman for a clique, alienated from the times.

If one analyzes the role of the REVISTA DE AVANCE, of SOCIAL or ORIGENES -- and one can go as far as CUBA CONTEMPORANEA, the REVISTA BIMESTRE CUBANA, ULTRA of Fernando Ortiz or RECREO SEMANAL DEL BELLO SEXO of Domingo Delmonte, we can see that they have nearly all served the purpose of social progress and have all fostered cultural improvement. LUNES DE REVOLUCION is the first publication that tried to become a wall holding back a torrential river, a

magazine that goes against the historical current and serves the power-seeking motives of Cabrera Infante.

Not all those who worked on that publication were subjected to the empire of its editor. Many disagreed with his policies and criteria and confronted him. Not all belonged to the anarchic, dissociative faction. Others contributively in a constructive fashion to the task of informing which, to some extent, the publication performed. In Cuba, many of them are still living and writing. Some did not belong to the narrow staff circle and were only occasional contributors and they are also intellectuals still in our nation.

On the pretext of the death of his mother, Cabrera Infante returned to Cuba in 1965 for a short time. The man who was born in Gibara suddenly discovered underdevelopment and was shocked because the Malecon was a little shabby, because in the parks of the old aristocratic Vedado district, instead of roses in bloom, fertile bananas were growing. He confessed this aesthetic litany in the newspaper PRIMERA PLANA of Buenos Aires and to those who read it -- not only in Cuba -- his voice sounded as out of place as that of Marie Antoinette asking for her powder case on 14 July. It sounded like the list of complaints of a girl not allowed to sleep in on Sunday morning. The break was complete. I recall the amazement, expressed in writing, of David Vinas, Manuel Rojas and Rodolfo Walsh, among others, in the face of so much inconsistent frivolity. Chilean novelist Manuel Rojas said in PUNTO FINAL in October 1968: "Cabrera Infante does not even write 'a word about the...blockade and betrayal of the governments of the Latin American republics, about the enormous enthusiasm of young people who want to build their country with work, not the literature of imitation, not a word about the heroism of its men and women. None of this exists for the former cultural attache who can only live in Europe. Perhaps they will soon offer him a scholarship in the United States. He would deserve it."

In the meantime, the CIA launched another of its undertakings to influence the cultural area: MUNDO NUEVO, and Cabrera Infante not only became one of its assiduous collaborators, but in No 14, appeared as its correspondent in London.

From then on began his promotion as a writer until he reached levels of propaganda not in keeping with the spare intellectual base provided by his books. The fact is that his novels are made up of little anecdotes, abbreviated narrations, inconclusive prose seasoned with exercises in pastiches, acrobatic parodies, gratuitous mazes, dreadful, obscure syntax, wornout cliches, a few witticisms, village gossip, tired jokes. If it were not for the powerful interests that back, protect, promote and deify him, based on the intrinsic literary merits of his works, there would be little talk of Cabrera Infante.

What he has never understood is that his verbose and dehumanized accumulation is not real literature, that the exaggerated pedantry only reveals uneducated provincialism, that the lexicological pirouettes he undertakes and the tiring second-hand humor were all used in a much better way long before him by Enrique Jardiel Poncela and W. Fernandez Flores, and that what makes a James Joyce different from Gomez de la Serna is a conception of the world. The attic of literature is filled with stylistic exercises.

Cabrera Infante's work will disappear in time. All fashions are fleeting. The only books that last are those written with human truth and there is little of this in his inventions. A man who opts for healthy digestion and warm slippers, the shining windows of the consumer society and the cult of fine things; a man who avoids confrontation with the conflicts of his time and who ducks combat for its solution invariably ends up disintegrating into skepticism. Cabrera Infante will not escape nullification by pulling up roots. That will be the end of his adventure.

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## PRIVATE COMMERCIAL BANKING EXPERIENCES SLOW GROWTH

Santo Domingo LISTIN DAIRIO in Spanish 28 Nov 83 p 1B

[Article by Jose Romero]

[Text] In general terms, a slowdown has been noted this year in the rate of growth of assets of private commercial banking, according to unofficial sources.

Total assets of commercial banking had reached \$2.914 billion on 31 December 1982, and by September the total had grown by 10 percent to \$3.206 billion.

In general, according to incomplete and preliminary estimates, the decline in rediscounting facilities to the private sector, the withdrawal of public deposits to private banks, the lack of financial mediation and the delay in the renegotiation of the foreign debt are elements that have unfavorably affected the development of assets during the year.

According to the estimates, the Reserve Bank is maintaining the accelerated rate of growth as a consequence of the increase in assets and loans to the public sector through rediscounts and public deposits.

In September, the Reserve Bank represented 42 percent of the total assets of Dominican commercial banking, followed by the Royal Bank with 13 percent, Popular Bank with 11 percent, Chase with 8 percent, the Bank of Nova Scotia with 5 percent and Stander with 5 percent. The remaining 16 percent is divided among nine commercial banks.

It is believed that private commercial banking has been showing slow growth. If one eliminates the Reserve Bank, total loans by commercial banking would have grown by only 3 percent in the first 9 months of the year.

According to the reports, the Popular Bank represents the most solid and sustained growth in private commercial banking because of its capturing of deposits and increases in its outstanding loans.

And it is presumed that the Royal Bank of Canada could have decided to place restrictions on its loans.

A report by the technical secretariat of the Council for the Monetary Financial Sector for the first half of this year can give an idea of the tendencies that were already seen in that report.

The above-mentioned report states the following:

By virtue of the discipline suggested by the IMF in the agreement signed by this organization with the Dominican Government, very stable and moderate behavior of the principal monetary and banking variables has been observed during the first 6 months of this year. In this sense, the monetary policy of the Central Bank has been oriented toward the gradual elimination of public sector deficits and at the same time toward producing equilibrium among the real and monetary variables of the economy, with the objective of maintaining a reasonable price level (6.3 percent for the 6-month period) that will not have an appreciable effect on the real income of large sectors of the Dominican population.

On the average, monetary emissions during the half year from January through June of 1983 represent a decline of 9 percent relative to the same period a year ago, which in part explains the maintenance of an adequate price level. Monetary authorities have been interested in curbing the growth that was seen in this variable in previous periods.

An average growth of 9.5 percent is seen in money in circulation during the first half of this year. This is the consequence of the expansive behavior of variables such as internal credit and investment in securities, which increased by 17.7 and 29.6 percent, respectively. This situation canceled out the effects of the factors involved in contracting the money supply--savings and time deposits, which increased by 15.5 percent, and capital and reserves, which grew by 8.7 percent during the same period.

There was a significant increase in bank deposits during the period as a result of the increase in the interest rates paid by commercial banks. Thus savings and time deposits increased by 15.1 percent relative to the same period of the previous year, and sight deposits grew by 10.7 percent.

Also, the loans of commercial banks were basically directed toward achieving a better application of private savings. In this sense, during the period being analyzed, the public sector took 33.5 percent of the bank loans and the private sector accounted for 66.5 percent of total loans, mostly used by the productive sectors. Of the increase in loans to the private sector, 74.4 percent went to the industrial and agricultural sectors and to promoting foreign commerce.

Another aspect that we should recognize is that despite the fact that the international economic cycle is unfavorable, the Central Bank is making the necessary effort to restore the level of net reserves.

In a general sense, the principal objective of the current government's monetary policy is to neutralize the effects of the crisis now affecting the Dominican economy, and in the first half of the current year that involves the adoption of a monetary discipline capable of successfully confronting the challenge to bring about recovery in the national economy.

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## PROBLEMS CONFRONTING NONTRADITIONAL EXPORT SECTOR DESCRIBED

Santo Domingo LISTIN DIARIO in Spanish 28 Nov 83 p 1

[Article by Arsenio Jimenez]

[Text] An analysis of the characteristics and behavior of nontraditional exports during one decade shows stagnation in these exports, which is due in large part to structural factors inherent in the very nature of production and national marketing, factors that are aggravated by the absence of a clear policy to promote exports. And that has been the pattern for some time. In the following article, we will try to describe the principal factors that constitute a bottleneck for nontraditional agricultural and industrial exports.

a) Agricultural Exports 1973-1982

The principal problems for nontraditional agricultural exports during the period must be sought above all in the structural conditions under which the agricultural sector was operating. Most producers in these categories are peasants who are barely able to make a living from their lands, so that they can improve the productive process through more efficient techniques, thus obtaining a precarious productivity.

In general, the small agricultural producers, lacking the financial capacity to orient themselves to the external market, oriented their production toward national consumption, not knowing the international requirements for the products cultivated. In addition, the atomization of supply means that there will be great differences in regard to the size and quality of crops.

The exporter of agricultural products who does not produce them is an intermediary who collects the harvest of a large number of peasants. In general, the crops are very heterogenous and are not suitable for export.

What was stated above brought about the official decision to promote large agricultural projects with an export orientation, understanding that it is necessary to provide ample financial support and adequate incentives to raise the profitability of Dominican fields.

b) Industrial Exports

The nontraditional industrial sector of the Dominican Republic has been characterized by its high production costs, which to a large degree limits its competitiveness in foreign markets, turning national exports into an easy target for the competition of other countries whose operating costs are much lower.

The high production costs are explained by some structural characteristics of the Dominican economy, in particular a high cost of energy, 80 percent of which is generated through oil. Another factor is the idle capacity under which some sectors of the national industry are operating.

This underutilization of plant and equipment is due, among other things, to the national industry's lack of competitiveness in penetrating the foreign market.

In addition, many times the lack of enterprise planning has caused the sector to make incorrect decisions in matters involving plant and equipment.

The new policy of promoting exports in the country understands that it is necessary to orient national industry toward international markets in such a way that products are manufactured in accordance with the specifications demanded by those market and idle capacity is reduced to a minimum, reorienting the model so that the competitive lines can supply the domestic market out of the surplus from export activity.

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## PD PRESIDENTIAL CANDIDATE DISCUSSES PLATFORM

Quito EL COMERCIO in Spanish 25 Dec 83 p A-2

[Interview with PD presidential candidate Francisco Huerta Montalvo, by Miguel Rivadeneira; date and place not specified]

[Text] - It is vital to change the development strategy.

- An increase in foreign investment must be encouraged.
- We propose a 5-year freeze on military spending for weapons on a continental scale.
- Our model of development is intended to guarantee 600,000 new jobs.
- Mini-devaluations are not the most feasible mechanism.
- Tax collection systems must be modernized.
- "No" to the creation of new taxes.
- We must maintain social peace by holding dialog and anticipating conflicts.
- Overall wage increases are a bad practice.
- We have the intention of eliminating the dispute with Peru, closing the borders.
- "No" to OAS without the United States.
- A political solution to the Central American problem.
- In the management of the economy, we differ with the government owing to its sudden positions.
- Substantial changes in the Cartagena Agreement.
- We must rethink agrarian reform.

- There is a necessity for decriminalizing abortion.
- A thorough educational reform must be made.
- Extremes are of no use in a republic such as ours.

[Question] What are the basic proposals of your candidacy?

[Answer] Basically, since its founding, the Democratic Party has had a system that we call anthropocentric. The word may seem difficult to interpret, but its simply means expending all the government's effort on behalf of the individual.

We have been observing that in a great many sections of the republic, and the rural areas in particular, not even the basic necessities of Ecuadoreans are being provided. For example, in the health area we have only a 17 percent coverage in the drinking water supply and the rural sewerage system. Not to mention the coverage for health services, stations and centers. That area, the one of health, nutrition, housing, education and clothing, involves points that we deem a priority. Furthermore, in view of the economic situation, we consider it vital to change the development strategy, not only for humanitarian reasons to meet the basic requirements of Ecuadoreans, but also for reasons of economic opportunity. If we do not change the model to make it less dependent on the possession of foreign exchange, development will be difficult to achieve. In addition to affecting the living conditions of the majority of Ecuadoreans, it will upset the social peace that is a legacy which we must maintain, if we do not do something for those sectors.

On that condition, the model is intended to meet the basic needs of Ecuadoreans, saving the largest possible amount of foreign exchange and being self-supporting without reaching the utopia of autarchy, which we are not dreaming of, to benefit the development of Ecuador. This requires two components: One is the people's participation, which has their organization as a prerequisite, a line along which we are working. That would be the guideline of our government's system.

[Question] What are the general features of your economic policy, and would there be any similarity between your economic program and that of the present government, considering that you are jointly responsible for the difficult economic situation that Ecuador is undergoing?

[Answer] I believe that we are jointly responsible for the administration of one of the most difficult periods in the lives of Ecuadoreans. I would have liked to see what the neoliberals would do under these circumstances in Ecuador. At best, they would adopt the Chilean model, which would have cost the republic a great deal of bloodshed, many missing persons and much persecution, as have occurred there. Mr Friedman, father of the model which we thoroughly understand, himself, has established the need for an authoritarian system to make the model work; but it has not worked, even with the authoritarian system. The obvious proof of that lack of workability of the model is the statements of General Pinochet's daughter herself, Lucia Pinochet, a member of an economic research

institute in Chile, who claims that the model has fostered concentration, and that the model is useless.

You asked me what similarities we have. I think there are some. There are things in the economy that will have to be continued, but there are variations associated, for example, with the policy of mini-devaluations, and associated with the conduct relating to foreign capital. In this respect, we were one of the first to support this proposition, although now everyone is repeating it, which makes us happy. For this reason, we do not mind agreeing on some propositions either with engineer Leon Febres Cordero or with President Osvaldo Hurtado. Though they are propositions that we deem valid, we shall not change our propositions because of the individuals with whom they agree. With regard to foreign capital, we consider it vital to encourage an increase in foreign investment, because by restricting it, we are up to our necks with foreign capital as credit. We prefer to have foreign capital as investment. Since the external sector is one of the most critical areas of the economy, we must change our behavior to reduce the difficulties in the external sector. That involves two options: one is the attitude toward the handling of the foreign debt. It must be renegotiated, because under the current circumstances in the Ecuadorean economy we shall not be able to pay. No one will ever deny the debt. If there is talk of a Latin American debtors' club, the only reason is that of seeking joint solutions, but by no means proposing a moratorium, which would be absurd. But it is also absurd to claim that we shall be able to use 75 percent of the foreign exchange generated by our exports for the foreign debt service alone. Under these conditions, with what would we support Ecuador's development? This is a proposition that is also upheld by private bankers. I had an opportunity to become familiar with the recent document produced by the Federation of Latin American Banks (FELABAN), in which these propositions are upheld: The terms should be extended; the interest rates should be changed; moreover, new loans must be guaranteed in order to be able to support the development. But we must do certain things within. Among them we have proposed a freeze on military spending for weapons, for 5 years, on a continental scale. Why on a continental scale? Because we cannot lose deterrent power against the neighboring countries if they do not make the same reduction, which they should make because they have difficulties in the external sector. On the other hand, we promote peace. We believe that peaceful solutions to our nations' conflicts are essential. Moreover, they must be authentic, and everyone has made lovely speeches and written wonderful books about the liberator, Simon Bolivar, on the occasion of the marking of the bicentennial of his birth. So, let the fatherland be America, and then let the borders be eradicated with a common development of the region, and make it possible for us to progress toward the future. From that standpoint, one of the greatest ills in the economic condition of Ecuadoreans would be to succumb to a paternalistic plan wherein the state gives health, food and housing, without the component of fundamental dignity in that fulfillment of needs. Our model of development is intended to guarantee 600,000 new jobs guaranteed simultaneously with the very strategy that we uphold. Only with the area of reforestation, and only with the development of local roads to engage in real agriculture, with the irrigation and drainage infrastructure work that is required, with the proper component of agricultural-livestock marketing, can these jobs be guaranteed. Since housing is another key issue,

there is also included therein an intensive use of unskilled labor, whereby people can obtain jobs. This generates a dynamic interconnected circuit wherein the construction of local roads benefits agriculture, but creates employment as well. Furthermore, and this is worth stressing, what we are proposing is not even remotely an experimental strategy; it is a new but not experimental strategy. The country is not a "guinea pig," either for the propositions of the extreme right or, worse, for the propositions of the extreme left. The country must be managed realizing that, although there are aberrations in the present model, they have to be corrected over a period of time and not from one moment to the next. Whether industry x, y or z has been established, it is part of Ecuador's assets, and if that company becomes bankrupt, we are losing assets, we are generating unemployment and we are worsening social conflicts.

[Question] What is your view of the mini-devaluations that the present regime has been implementing?

[Answer] We do not consider it to be the most feasible mechanism. We estimate that, by the end of the present government (9 August 1984), the exchange parity will be close to the free market parity, and then those mini-devaluations will no longer be necessary. In any event, we always stress a very particular view: We have maintained the proposition that the devaluations are not measures that the government is adopting, but rather economic situations that the government is assuming. There was cowardice (and it is the mildest term to describe the view) in the action of other governments when, some time ago, a dollar was not purchased with 25 sucres, but there was irresponsibility in handling the situations. Thinking was done from an electoralist standpoint and measures were adopted based on how much they might accept me. We think that serious distortions were being made in the Ecuadorean economy, from the standpoint that wheat was being imported and balanced food was being made, owing to that distortion in the price of the dollar. On the internal level also, we have seen the positive effect on domestic tourism. In any event, we must issue more exact groundrules, because it is actually difficult to make calculations with mini-devaluations and generally it prompts people to make calculations with the value of the dollar at the closing date as of half of the fiscal year, and now they are calculating with the December price of the dollar.

[Question] What will your policy be regarding the tax dollar?

[Answer] To collect everything that must be collected, to modernize the collections systems, and to improve the wage conditions for those associated with these procedures. And we believe that the tax revenue can be increased greatly using these methods, without extortion, without creating new taxes and by collecting what must be collected.

[Question] How can social peace be maintained during the present time of economic crisis?

[Answer] With a deepseated attitude of dialog, anticipating conflicts. We cannot wait for them to occur and then attempt to solve them. We must assume an

attitude of preventive medicine: remedying our health, making Ecuadoreans understand the real difficulties, making the working sectors understand that it is a privileged status to have employment in a country of unemployed and that overall wage increases are a bad practice; because if, for example, we say that the base wage is 10,000 sucres, the people earning 11,000 lose a great deal from the increase caused in the cost of living by their purchasing power, and the people without wages, who are also numerous, undergo a worsening of their status of enormous magnitude. We prefer the method of the minimum wage commissions sector by sector; depending on the state of the economy of each business firm, these readjustments could be made.

[Question] What are the basic points in your international policy, and how would you close the borders with Peru, which is what you have been advocating for the boundary problem?

[Answer] If I had said to close the borders with Peru before having talked with that country, it would be little less than irresponsible. What we want is to establish ourselves as patriotic Ecuadoreans; because it is absurd to uphold a proposition that has not produced any result for a period of 40 years other than Peru's continued hemming in our territory, which has caused the arms race and which has not actually brought us any result other than the risk that, sometime (and people in Peru have already said this), it may be decided to seize a piece of our territory until we close the border; if I had said that all that must be done in this area would be to wait for the letters of negotiation on the issue. The difference between us and other candidates is our desire to eliminate the conflict.

We must seek a peaceful solution? How? By negotiating with Peru. Once the formula has been established, it should be made known to the Ecuadorean people, so that they may approve or refuse it, by a plebiscite if possible.

[Question] Do you favor an OAS without the United States?

[Answer] No, because it would be outside the inter-American system and the United States is on the map of Latin America. What is essential is to have more contact among the Latin American agencies. I stress Latin American, because the Caribbean states, although they are in the hemisphere too, have a different psychology, idiosyncrasy and way of thinking, which has already been proven in the conflict over the Falklands. They were on the side of Great Britain, not Argentina.

[Question] What is the solution to the Central American and Caribbean problem, especially in Nicaragua, El Salvador and Grenada?

[Answer] We prefer the political solution, not the military solution. Too much blood has already been shed by those nations. But from our standpoint, the political solution must be a pluralistic solution. In the case of Nicaragua, we should remember that Latin America backed the struggle against Somoza for a pluralistic solution. We said that this solution should occur, and as promptly as possible. The more time we delay, the more risk there is of its not being pluralistic. The same holds true for the Salvadoran conflict. In

any event, we do not want part of the East-West struggle to become established in our territory and with our Latin American blood.

Interests of great powers are being disputed there. On the one hand, Grenada has been invaded, although they are leaving now; on the other hand, Afghanistan is still invaded.

[Question] In view of the arms race all over the world, how would you implement your proposal to reduce spending on weapons?

[Answer] It appears to have been picked up now by other persons. The interests of those selling weapons are very strong, and the interests of those buying them seem to be very strong as well. In any event, we must make proposals to continue our progress; we must tell truths that hurt, that may be electorally disturbing but that are necessary. We want to be elected for what we say, and not for what we are silent about. If what we say is not pleasing, then let them not elect us. I would not want to be president merely to sign the agreements that will put us ahead, but rather to run the government.

[Question] Do you believe in the nationalizations?

[Answer] It all depends. I believe that for the economy, as stipulated in the Constitution, there must be a state-owned area of the economy. The important thing is clearcut, groundrules, and specific definitions, which will not cause people to change horses in midstream. That is what has happened with each sudden regulation. One of the positions wherein we differ from the present government on the handling of the economy is the sudden position. In the policy of sudden positions, sometimes the Monetary Board has made decisions that not even the very ones concerned were apprised of; and sometimes, for example, when the interest rate was changed and the banking sectors were not very much decided on the matter, suddenly the decision appeared to have been made from one moment to the next. I believe that dialog is one of the best weapons in politics, the only valid one; because a good synonym for politics is conciliation.

Within a context of central ideas that govern our political action, a sense of democracy, a sense of liberty and a sense of justice, with deepseated solidarity among all Ecuadoreans, we must accomplish the things that the circumstances allow, but as part of a plan; because another criticism that we make of the government is that there is too much of a corporativizing tendency, and that smacks of fascism. We must have a framework within which Ecuador can progress.

[Question] Do you believe in a greater openness to foreign capital?

[Answer] Definitely. We must have the opportunity to develop and in any system that requires capital. The Marxists talk about the primitive accumulation of capital. In the capitalist system, under which we live, we need investment, particularly risk capital. I was the only politician who proposed to the minister of natural resources that he call the candidates together for a meeting to tell us what we are going to do about oil, and try to have us reach a



consensus so that the companies would have clearcut groundrules before the elections. What will happen now?

No company will invest a single dollar until it sees what will happen next August; and therefore we have wasted over a year for an opportunity. You must realize that there are so many complicated aspects in oil: this very matter of the gas exploration in the Gulf of Guayaquil and the connection with Permargo. Sometimes we are not aware of things, but learn about them later. In the recent bidding called for by CEPE [Ecuadorean State Petroleum Corporation], some companies did not participate because strong interests linked to Permargo asked them not to.

[Question] What is your policy in the oil area?

[Answer] The one that we have more or less described. We have no way of investing risk capital; in other words, we need foreign capital. It will be important to diversify the sources of origin of the capital, so as not to be overly dependent; but diversifying the source of origin does not mean being open to any foreign capital, which must be tested. We need to be realistic about the oil situation, but not just with regard to the mechanisms for exploration. We have no energy policy, despite the fact that we have been an oil-producing country for several years. If we maintain the present consumption patterns in 1988 we shall be definite importers; because with a 10 percent increase per year, it is easy to make the calculation, about 210,000 barrels, by 1988 or 1989 we shall be consuming the entire production for domestic use. If this is a risk, what policy should we pursue in connection with petrochemicals, which have a very large investment, what policy should we pursue regarding the building of new refineries, and what policy should we pursue in the area of "dieselizing" the automotive equipment so as not to continue using expensive fuels? In other words, an oil policy, the policy to develop new alternate sources of energy, the entire hydroelectric area, that we are making.

[Question] What is your position regarding the Andean Pact?

[Answer] With respect to integration, we are deeply integrationist. As for the integration, with a Bolivarian spirit that the country has cultivated and that is part of our tradition, and with a practical attitude, transcending words, we believe it is imperative to become integrated as a course of action, but substantial changes must be made in the Cartagena Agreement. Sometimes we have been most papist than the Pope; sometimes, we have been one of the few countries to comply strictly with Decision 24; and sometimes, when exporting to Venezuela, our products have not been accepted.

It appears that there is now a tendency to resume the Andean Pact. We favor that tendency; we have conversed with all the directors of the Andean Pact on the subregional level, and we think that the matter is progressing well.

[Question] Will you deter or give an impetus to agrarian reform, and what is your view concerning the land invasions, especially in Quito and Guayaquil?

[Answer] We believe that the land problem is essentially one of the quality of life of people in the rural areas, to which we intend to give the entire impetus, the entire provision of services. Two: an increase in agricultural and livestock production and productivity. Along this line, we must rethink the agrarian reform, which went through a period of aberration and only worry about the redistribution of land which to date has left us without agrarian reform and without production.

[Question] What is your opinion about the forthcoming Latin American economic conference that will take place during January in Quito?

[Answer] It is a constructive initiative that may be thwarted if we merely fill ourselves with words. We need concrete proposals. I hope that, in the possible absence of many presidents, the conference will be diverted to a technical function; that economic officials will come, people with knowledge of the debt and the negotiating mechanisms in our countries; and that a solid document containing concrete proposals will be submitted.

[Question] Your position on the practice of abortion has been challenged in various parts of the country. Could you clarify your stance?

[Answer] We propose as a necessity, without making ethical and religious abstractions, that abortion be decriminalized; because, thus far, the provision of the law stipulates that people may have abortions in situations wherein their lives are at risk. This has ended up with cases of incomplete abortion occupying nearly half the beds in our maternity facilities. What do we propose? Not to legalize abortion, but to decriminalize it. Some claim that it is the same thing; it is by no means the same thing. We discussed the most typical instance with Carlos Feraud, a candidate for the first national deputy's seat representing the Democratic Party, to the effect that Ecuadorean legislation has criminalized adultery. It has been decriminalized thus far. The articles of the law which stipulated that status for adultery no longer exist; they have been repealed. This does not mean that adultery has been legalized. It has not been legalized to such an extent that it continues to be a cause for divorce, but it has not been criminalized.

[Question] The opposition has accused you of being a continuist candidate, and it is rumored in political circles that President Osvaldo Hurtado is backing your candidacy more than that of his fellow ideologue, Dr Julio Cesar Trujillo. What truth is there in this?

[Answer] They have said that there are three official candidates, but sometimes continuism may be elsewhere, based on certain neoliberal measures that this government has adopted.

[Question] What is your view on the promotion of your accomplishments that the government has been engaged in for the past few weeks, just before the elections of 29 January 1984, especially that propaganda to the effect that "Ecuador is advancing and democracy is building"?

[Answer] It's a little late for the government to be coming out making propaganda. I have always criticized President Hurtado, claiming that the government's accomplishments should always have been made visible; because many of those accomplishments are rural, and are not seen. So, it is thought that nothing has been done. At least in the health area, we have done some work on the rural level.

[Question] In the educational field, how can the serious problem of Ecuador's universities be solved?

[Answer] We must hold a discussion with the Ecuadorean universities and speak very clearly. We believe that the universities are making an effort that does not compensate much for the enormous economic effort being made by the country in allocating 30 percent of its revenue for education. But there are some simplifications which we do not share: for example, thinking that everything would be resolved by returning to the entrance examination. That means being content to have bad secondary education and then setting up a screen in the universities.

We must guarantee good primary and secondary education. We must make a deep-seated educational reform. It is our proposition that education is a permanent process and not merely a graded one. So, we must go to the educational centers to learn, to learn and not cram ourselves with an amount of knowledge which, after x period of time, creates a holder of a bachelor's degree, and a graduate in this or that subject. We must totally change educational performance, even going to new levels in education, such as the pre-primary one. No one has proven, and quite the opposite has been proven, that the greatest capacity for assimilation is present during the first years of life, from 4 to 6 years of age. So, the pre-primary level is a key one. Since we intend to contribute to women's liberation in nursery schools, there will be pre-school education, whereby mothers can leave their children not in a place like a small jail for little children, but rather in a place where they will learn and be educated; and that will free them for an opportunity to work, to engage in politics or in any activity that they want. In short, in education we must repeat the effort that we have been expending to include the studies plan and the curricula that are studied, depoliticizing them from the standpoint of partisanism a temptation to which some have succumbed recently; lending them a sense of history of what we are in our roots and forebears, rethinking our own values, wherein we sometimes have a feeling of inferiority, and guaranteeing the possible formation of a new man in the desire for a new republic which we have.

[Question] Finally, how will you form your cabinet if you win the next elections?

[Answer] We have stated that we shall form it with the best. A difficult truth but one that we are used to citing is that as many as 500 top-flight men are needed, with a more or less mutual view, for the basic government leaders, and no party has that. So, we have to govern with the best. It

sometimes seems paradoxical that I should agree with people who, because of a Christian persuasion or a socialist persuasion, tend toward the humanism that we advocate. But if the Christianity is authentic and the socialism is democratic, it is possible to reconcile those interests. The fact is that there is a tendency toward totalitarian polarization. People want to find a solution and an outlet for their frustrations, complexes and ancestral fears in extremes. Extremes are useless in a republic such as ours. This is not the time for extremes in Ecuador. That is why we stress that, in view of the difficulties of the present time, we cannot allow them to try to sell us the past as a guarantee of the future. But we shall not attempt to accept what is experimental as a guarantee of the future either.

2909

CSO: 3348/170

PD VICE-PRESIDENTIAL CANDIDATE UNDERLINES NEED FOR PLANNING

Quito EL COMERCIO in Spanish 26 Dec 83 p A-8

[Interview with Democratic Party vice-presidential candidate Rodrigo Espinosa by Fernando Proano; date, time and place not given]

[Text] Today's entry in the series of interviews EL COMERCIO is conducting of the candidates for president and vice-president of the republic is with Dr Rodrigo Espinosa, who is running for vice-president on the Democratic Party (PD) ticket with presidential candidate Francisco Huerta.

[Question] What significance do you attribute to planning in the ideal of a modern state?

[Answer] Planning represents the road that leads to the objectives of a modern state with respect to the views it has of the quality of life of those who make up the sector. Planning, therefore, must have very clear objectives and strategies that are consistent with those objectives, as well as a diagnosis that focuses primarily on the factors that determine the objectives. In other words, for planning to have a positive effect, it must basically be consistent with the government's objectives and views, as well as the diagnosis and evaluation of them.

This alternative evaluation is that the market forces should decide what should be produced and for whom.

[Question] Do you think the current structure of the National Development Council (CONADE) is the best one for the country, given the experience we have had under this administration?

[Answer] I basically think so, in planning. The Constitution has set forth the necessary mechanisms so that in conjunction with the Executive, and through the participation of the beneficiaries, it can make the required changes in accordance with its objectives. The problem we had was because the president and vice-president were from different political parties; in this case, there will be no ideological differentiation with Francisco Huerta.

The structure of CONADE to a great extent comes under the public sector; it is indeed appropriate for planning officials to have a say on economic policy, both fiscal and monetary, because they must adhere to planning objectives.

In general, this country has not paid enough attention to planning, because the immediate term has been remote from planning objectives.

[Question] Do you think the planning task should be the direct responsibility of the president of the republic?

[Answer] I think that planning--at least in Ecuador, which is a developing country--is needed so that resources can be used efficiently. Planning must be specialized; it should be an institution within the Executive Branch, but with a certain independence. It should provide advice to the president of the republic, and the president, in turn, should decide in concert with the vice-president which policies to adopt. In this type of planning process, there should be enough coordination in the public sector as a whole, and with the influence of the presidency, planning can become a source of guidance, a call for action. The relationship between CONADE and the president's office is very important.

[Question] Could one speak of an ideological identification, and to what extent is there such a thing between you and the presidential candidate, for the implementation of a platform on the basis of planning as a priority?

[Answer] The Democratic Party has decided to put forth an electoral platform. That platform indicates our planning objectives. We are working on a government plan; in other words, that is the party's decision, and since we are members of the Democratic Party we go along with the decision. Both of us agree on the planning objectives, and there are no ideological differences.

[Question] How would you propose to make planning a reality, with the economic support that is indispensable for orienting the execution of government programs?

[Answer] For planning to become a reality, it must be participative. We are talking about a microplanning model, which is the only way to make beneficiaries participate. Planning will begin with microplanning at the canton level, then the provincial level, and finally the culmination of this process, macroeconomic planning. The Democratic Party believes that for planning to be effective, it is very important that it be real; it requires the participation of the people.

As for the resources that must be available for planning activities to take place, I think that the CONADE budget allows for that planning to be carried out.

With regard to the resources required to finance planning strategies, we must consider that resources are scarce in this country, while needs are limitless; thus, we must establish the appropriate priorities, priorities which must be determined with the participation of the people. The people indicate what their planning objectives and their strategies are, and the latter must be

financed with the necessary resources, bearing in mind that resources are scarce and that what planning does is make the most efficient use of resources to achieve the goals of planning in the short term. We must take into account that the objectives of planning must be achieved through a process.

All planning activities are dynamic; that is, there must be enough resources to achieve the indicated objectives within the planning period.

Strategy, which is an important part of planning, must be financed with resources possessed by the state, and the various ministries must defer to the planning carried out by CONADE with the participation of the beneficiaries. All the ministries will have a share in this participation with respect to the policies that come under their purviews. They will know what programs they must develop, what strategies they will have to devise to achieve their objectives, and they will receive the aforementioned resources in accordance with the priorities set forth. Planning for the public sector is obligatory, and it is discretionary for the private sector. In planning strategy, however, there are incentive policies, and then the private sector will move on the basis of those incentive policies; priorities are assigned to various activities of the private sector. The incentives provided will allow for the mobilization of private activity toward the planning objectives. For example, in the Democratic Party, we have listed the satisfaction of basic needs as an objective of planning. The basic needs are to improve the diet of Ecuadoreans, to give them better food. We propose that development policies provide incentives for food production. Industrial development should be modified so that it conforms to planning objectives.

Planning takes the market into account; but the market is like the wind that propels a ship, and planning is the helmsman who moves the sails to make use of the wind. Thus, if we planners provide incentives for activities to which we have given priority, private activity will move toward those objectives, because there it will find guaranteed profitability.

One aspect of our economy that should be noted is that it has been dependent. Sixty percent of the production of goods and services depends on imports, so if we are going to favor national production in order to create endogenous growth in the country, naturally private activity will move toward obtaining those privileges by producing goods that create a much higher aggregate value.

[Question] What areas of planning will be given priority in the Democratic Party administration, assuming you win the elections?

[Answer] Primarily the satisfaction of basic needs, considering basic needs to be nutrition, health, education, clothing. Planning will aim at achieving change, the only variables that lead to an improvement in the quality of life of Ecuadoreans. All this strategy in planning can be used to change these objectives and resources in order to improve such objectives.

One of the most important intermediate objectives is the generation of productive employment. Today the employment [as published] rate is about 11.5 percent, and if we add underemployment, the number of Ecuadoreans out of the market is very significant. In order to achieve endogenous development, we

must generate productive employment, and the production for which we provide incentives must generate "virtuous circles" for the economy, direct or indirect effects that provide for sustained growth without being significantly influenced by the international economic crisis.

We take development seriously, and feel that the only alternative for third world countries is to work to meet the people's basic needs.

[Question] What ideology does the Democratic Party represent?

[Answer] The Democratic Party is in the center left; it is a party that, in short, is concerned with the quality of life of poor Ecuadoreans, and our objective in planning is to try to reduce the great differences that exist in Ecuador, and to generate opportunities that will make Ecuador healthier in the future, with equal opportunities for all Ecuadoreans.

8926

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## ELECTORAL RESULTS TO BE DETERMINED BY UNDECIDED

Quito EL COMERCIO in Spanish 26 Dec 83 p A-3

[Text] The undecided voters, who have "become last-minute decision-makers," could determine the outcome of the elections on 29 January, said the director of the International Center for Advanced Journalism Studies for Latin America (CIESPAL), Luis Eladio Proano, and Conservative Deputy Pablo Davalos. They also downplayed the importance of the polls that are being taken to divine the chances of the current candidates for president and vice-president of winning the elections.

After outlining the history of two U.S. polling agencies, which were successful in 1940 and 1944 but guessed wrong in 1948, when Truman's election was such a surprise, Proano listed the steps that must be taken to make electoral predictions: design a plan of operations, design the questionnaire, train the interviewers, select the sample and interpret the responses.

During the "Encuentro" program on Radio Quito, Proano stressed the situation of the undecided voters, indicating how important it is for the interviewer to be a professional so that through exploratory questions he can determine whether the person is really undecided. He noted that in Ecuador there is the problem that surveys do not measure the intensity of one's voting decision, since interviewers are satisfied merely with citizens' answers that they will vote for A, B, or C.

Davalos stated that while some seem to incline toward denigrating the polls, others try to validate them at all costs. He remarked that in our country surveys began to catch on only in 1979, when the Roldos-Hurtado ticket won even though in the beginning they were not expected to win. The Roldos phenomenon certainly owed a lot to the undecided voters, concluded the Conservative deputy.

He agreed with Proano that a large percentage of citizens have not yet decided how they will vote, while many assert that they will not reveal their decision. He added, however, that this electorate is looking for something to hold on to, "like the patient who has gone from doctor to doctor for a long time without finding any relief, and then goes to a witchdoctor." Therefore, he concluded, this kind of voter can be exploited by the electoral campaigns.

He indicated that at this time the opinion poll is not a scientific projection, but it has become a political means to win votes, basically from those citizens who have not yet identified with a given candidate.

The CIESPAL director came out in favor of a survey that would clarify what will happen among the undecided voters, with a view to the next elections, bearing in mind that when Roldos was elected he swelled his vote with nearly 75 percent of the undecideds. He explained that according to a rule of communication sciences, which is based on reality, we all believe surveys that favor our aspirations, and disbelieve those that do not favor us.

Proano agreed that people do not consider the results of a poll as a factor in their voting decision, but the system could have some influence on those who do not want to waste their vote; that is, they do not vote in favor of candidate X, but rather against candidate Y. In Ecuador's case, he emphasized, with a unified right and a scattered center-left, in the latter category will be people who do not want the rightist candidate to win and will look for someone else to vote for, a decision that could favor someone who does not appear high in the polls at this time.

Recalling the considerable influence of illiterate voters on the outcome of the elections, Davalos expressed confidence that in the future, election polls will be channeled toward other ways of interpreting the behavior of citizens, "not just the political-electoral aspect, but also the economic and social, for the good of all."

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## DROP IN COFFEE, BANANA PRICES CAUSES CONCERN

Quito EL COMERCIO in Spanish 16 Dec 83 p A-1

[Text] Ecuador will feel the crunch of lower banana and coffee prices. In both cases, the decline is due to a glut of these products on the international market.

Sources at the Union of Banana Exporting Countries (UPEB) claim that in 1984 the banana industry will encounter difficulties because there will be overproduction of the fruit, which will affect prices.

Meanwhile, the International Coffee Organization (OIC) warned that the large surplus of the beans poses a serious threat to the world market.

In a cable dated yesterday from Tegucigalpa, the IPS [expansion unknown] agency indicates that in a report recently delivered to the Honduran Government, UPEB Executive Secretary Carlos Manuel Zeron stated that the nations of the region will have to adopt special measures to deal with the situation.

The banana industry, which employs some 100,000 people in the region, is the primary source of foreign currency for many of the countries. In Ecuador, it was until recently the second most important export, and it earns the country more than \$210 million a year. This year, both production of the fruit and the exportable amount of it plummeted drastically by 40 percent.

In the other producing countries of Latin America, especially the members of UPEB, a violent fall in the price of bananas, as is predicted for 1984, could aggravate the economic problems they already face.

"In fact, the prospects for the banana industry in 1984," added Zeron, "are not very good. We are seriously concerned, in view of the distortion of prices that has taken place on the international market due to the glut that will appear next February and March."

Although no official figure was given for the possible decline in the price of a crate of fruit, in economic circles it is estimated that it could be \$2. A crate of bananas now sells for about \$4.50.

As for coffee, the executive director of the OIC, Brazilian Alexandre Beltrao, stated that Brazil alone will have a production surplus of 18 million 60-kilo sacks next year. The other producing countries will have to hold onto nearly 45 million unsellable sacks of coffee.

On the basis of these data, Beltrao stressed the need to maintain the quota system of the International Agreement, established within the framework of the OIC, and to make a major effort to increase world consumption of coffee to prevent the market from collapsing, with grave social consequences for the producing countries.

In Ecuador, coffee is the third most important export, and coffee exports bring in about \$130 million a year.

8926

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## FOREIGN DEBT EXPECTED TO BE KEY ISSUE AT ECONOMIC CONFERENCE

Quito EL COMERCIO in Spanish 20 Dec 83 p A-1

[Text] At the Latin American Economic Conference to be held here beginning next 5 January, one topic of discussion will be the need to obtain softer terms for the renegotiation of the foreign debt and for new loans to the region, stated Eduardo Santos, personal representative of President Hurtado to that event.

He added that another item on the agenda will be an analysis of issues related to food security, energy cooperation, the stimulation of integration and mechanisms to achieve a joint position with respect to the industrialized countries.

As for the foreign debt, Santos indicated that a concerted effort needs to be planned to achieve lower interests rates and longer terms. "It is not a question," he stressed, "of establishing an image as a debtors' club, because that would not be pragmatic. Rather, it is a matter of establishing a general framework for negotiations, because we feel that the burden of the crisis should be shared by the debtors and creditors on an equal basis."

The international banks and the International Monetary Fund should understand that the patterns they have imposed for the refinancing of Latin America's foreign debt have very high social costs, and are hindering the development of these nations. This situation also damages the creditors, because it diminishes the debtors' payment capacity, Santos stated.

While contending that energy cooperation programs should be promoted in the region, he stressed that to stimulate integration, ways of harmonizing regional commerce should be sought so that trading on the basis of the U.S. currency can be eliminated. He said that mechanisms unlike the traditional solutions should be sought.

He also stated that during the conference in Quito an attempt will be made to forge a united Latin American front with respect to the industrialized countries. "The North-South dialogue of the deaf should be broken off," he said, "in an effort to establish more equity in the terms of trade."

"Not only should that dialogue be improved, however," he said, "but we should also improve the currents of commerce and integration. Latin America still does not look inward; it is not utilizing its full potential."

The president's representative emphasized the need for a political decision on the problems that face Latin America. "The crisis has already been analyzed and diagnosed; now," he said, "it is time for the governments to demonstrate their willingness to deal with it with clear and specific measures. That is why the conference in Quito will demand, above all, a political decision by Latin America and the nations of the Caribbean."

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## BRIEFS

CTE PRESIDENT ON FEBRES CORDERO'S CANDIDACY--The Conference of Ecuadorean Workers (CTE) expressed its concern and surprise at the support a group of retired military officers has given to the candidacy of Leon Febres Cordero and Blasco Penaherrera. Edgar Ponce, president of the CTE, stated that this poses a serious threat to the working class, its organizations, and even the lives of its leaders. Ponce indicated that among the officers who had endorsed this rash support are some total fascists who bring back sad memories to the working class, such as Galo Latorre, Jorge Salvador Chiriboga, and many others who have always been the forerunners of the fascist movements within the Armed Forces. The fact that they are retired from the military does not mean that they are no longer part of the Armed Forces. Ponce added that their public backing for a candidacy exerts pressure on the public to choose that option, which is the most crude expression of the country's oligarchy. The working class, organized in the CTE, has expressed complete repudiation for that candidacy, and its support for the Broad Front of the Left (FADI), he added. [Text] [Quito EL COMERCIO in Spanish 22 Dec 83 p D-1] 8926

CEDATOS POLL--The Ecuadorean Data Company (CEDATOS), in a new public opinion poll conducted in Quito, found the following results: 68.4 percent of Quito residents surveyed stated that Leon Febres Cordero will win the upcoming presidential elections; 13.8 percent thought Dr Rodrigo Borja would win; and 7.6 percent predicted a victory for Francisco Huerta; Rene Mauge was the predicted winner for 4.8 percent; Jaime Hurtado 2.4 percent; Julio Cesar Trujillo 1.7 percent; Jaime Aspiazu 1 percent; and Angel Duarte 0.4 percent. Void or blank responses amounted to 20.6 percent; undecided respondents totaled 15.8 percent. CEDATOS began the survey with two questions: first, about who they thought would win the 1984 elections, and second, whom they would vote for in those elections. The questions were asked of Quito residents of a variety of social strata. One noteworthy finding was ignorance by a large percentage of the population of what offices will be filled; more than 50 percent were unaware that on 29 January 1984, in addition to the president of the republic, elections will be held for the seats of deputies, mayors, prefects, provincial and municipal council members. Thus, 95 percent of the population knows that the president of the republic is to be elected; 78 percent know about the mayors, but only 52 percent also know that deputies will be chosen as well; 44 percent know about prefects; and 38 percent about municipal councils. Most people are also unaware of the names of the mayoral candidates. In addition, CEDATOS asked about what priority issues must be resolved in the future in the whole country, in Pichincha and in Quito. Most citizens are concerned about

the urgent need to solve economic problems, and especially anti-inflation measures and steps to curb the high cost of living. [Text] [Quito EL UNIVERSO in Spanish 16 Dec 83 p 5] 8926

PD PLATFORM--The presidential candidate of the Democratic Party (PD), Francisco Huerta Montalvo, outlined the main points of his electoral platform during a conference organized by the Federation of University Students of the Catholic University. Huerta indicated that his party is young: "It was born as an alternative to oligarchic oppression on the one hand and demagogic populism on the other hand, which have governed the country throughout its history..." At this time, added Huerta, "the option we offer is that of a popular government, as opposed to an oligarchic government whose only alternative would be a revolutionary government. . ." In addition, he stated that the Democrats perceive education as a constant process in the service of the country's development. In this regard, added Huerta, the current educational program is not meeting its objective, and should be reformed from top to bottom. He also indicated that the university curriculum should be redefined and rationalized. [Text] [Quito EL COMERCIO in Spanish 26 Dec 83 p A-8] 8926

FEBRES CORDERO ON PUBLIC SPENDING--The "National Reconstruction Front's" presidential candidate, Leon Febres Cordero, claimed that the excessive amount of unproductive public spending is the main cause of most of the economic problems besetting the country. He added: "Therefore, if we are benefited with the popular vote in the forthcoming elections, we shall expend all the necessary effort to streamline it and put it at levels in keeping with the citizens' taxpaying capacity." Febres Cordero (reportedly) made these statements during the tribute backing his candidacy offered him by a group of Quito producers and merchants, which was attended by over 400 association leaders. Febres Cordero remarked that it was inconceivable that, despite the fact that "the convergent group spent the entire year of 1983 creating new taxes, increasing those in existence and ordering all types of measures, such as monetary devaluation, to transfer funds from the wretched budgets of Ecuadorean families and business firms to the state, there should be an intention of creating more taxes on soft drinks, cigarettes and exchange transactions, to cover the ridiculous 1984 budget, that will total 107 billion sucres; in other words, four times larger than the one with which the present regime assumed power." He also said that the cost of the taxes created in 1983, plus the effects of the monetary devaluation, the rise in fuel prices and the elimination of certain subsidies, reflect additional revenue for the treasury amounting to about 30 billion sucres, a figure exceeding the total general budget for 1979. [Text] [Quito EL COMERCIO in Spanish 28 Dec 83 p A-3] 2909

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## AMBASSADOR TO COLOMBIA REVIEWS DOMESTIC, FOREIGN POLICY

Bogota EL ESPECTADOR in Spanish 13 Dec 83 p 11

[Interview with Nicaraguan Ambassador to Colombia Francisco Quinonez by Edgar Caldas Vera; date, time and place not given]

[Text] The raindrops inched down the windowpane as the ambassador adjusted his tie, gazed at the hills and recalled his adventures in Managua before the triumph of the revolution.

Francisco Quinonez is a straightforward and generous man. Sometimes he seems to be a schoolteacher, explaining the situation in Central America in great detail.

The Nicaraguan ambassador says that "the efforts of the Contadora Group and the UN must have done something to help prevent an invasion" of his country, and comments bitterly on the "real betrayal" of the Nicaraguan revolutionary process by Eden Pastora.

After participating in the armed struggle against the regime of Anastasio Somoza and narrowly missing death on several occasions, Francisco Quinonez seems sure of himself when he says curtly, "The United States does not scare us with its big stick."

He remarks that "Contadora is the only solution for peace in Central America," and announces that his country has a new position on the Document of Objectives, which will be discussed in the next few days on the occasion of the Group's meeting in Panama.

The telephone's ring seems to take over the small office, but the ambassador appears to hear nothing. He asserts: "Mexico has given total support and solidarity to the Nicaraguan revolution," and argues that "we respect the position of President Fidel Castro that he will not intervene in Nicaragua in case of an invasion."

Francisco Quinonez attacks the Reagan administration and talks about the recent amnesty decrees, and elections in his country, as his cup of coffee cools off.

## Disguised Soldiers

[Question] The Nicaraguan Government has said that an invasion of your country by the United States is imminent, and you yourself told journalists that it would happen in November. Nevertheless, here we are in the month of pinwheels and firecrackers, and nothing has happened. Don't you think there is a bit of sensationalism?

[Answer] When we made that accusation, it was based on the fact that maneuvers were being carried out that left no room for doubt about the invasion. For example, we discovered a series of measures prepared by the State Department, under the auspices of the CIA, related to a more direct intervention than is taking place now in Nicaragua. We observed military activity by the United States on the northern border and at its bases in Honduras; in Nicaraguan territorial water, moreover, there has been a major movement of soldiers disguised as engineers and technicians in Costa Rican territory, very close to us, ready to take action.

[Question] At the time you and your government did not provide any evidence, but now could you mention any?

[Answer] We had enough proof: There were bases in Honduras, and U.S. soldiers ready to go into Nicaragua. I think that the efforts of Contadora and the UN must have helped some to prevent an invasion of Nicaragua. The United Nations resolution gave totally positive support to the Contadora Group, and strengthened it at the same time.

[Question] Mr Ambassador, does this mean in general terms that the Americans will not invade Nicaragua after all? Has the danger passed?

[Answer] We do not discount that. We continue to state that so far they have not invaded us. What we did was monitor the reactions of the Reagan administration in anticipation of an intervention. The U.S. Congress approved aid for the counterrevolutionaries. This does not mean just a few individuals on the border, but the backing the United States gives them. In the final analysis the counterrevolutionaries do not pose a threat to destabilize my country because we know how the people will respond to them. These are former Somoza guards who have murdered people in the past and present.

[Question] You have said that there are bases in Honduras, but the U.S. ambassador to Colombia, Lewis A. Tambs, says the opposite. How do you back up your claim? Who is lying?

[Answer] We think Mr Tambs is not up to date; he does not have a handle on the real situation in Central America today. In a recent news story it was apparent that he is unaware of the facts due to ignorance, or that he has ulterior motives in trying to appear so. The United States approved a military base in Honduran territory. The State Department made it public. The U.S. Congress also approved about \$20 million to help the counterrevolutionaries, whose base of operations is in Honduras.

[Question] Do you think Ambassador Tambs' denial of any bases in Honduras is part of a propaganda campaign?

[Answer] It may be a new campaign to try to wash their hands and say we are not intervening in Central America, but everyone is on to their tricks.

#### Smell of Gunpowder

[Question] What is this about the Nicaraguan revolution being betrayed?

[Answer] There has been no betrayal, because the Nicaraguan people have supported it. Those who badmouth it are the former Somoza guards, backed by the United States. These people have indeed betrayed the revolution, because they never have participated in the Nicaraguan process.

[Question] Then how do you interpret the counterrevolutionary phenomenon of Eden Pastora?

[Answer] Eden Pastora's case is another matter. Pastora has had his conflicts and problems since before the triumph. His very personality obliged him to leave Nicaragua. At first he left the country not as a counterrevolutionary, but leaving a letter explaining that he had to go seek the smell of gunpowder in other countries, alongside other people who were struggling for liberation. Pastora spent a year away, and then he showed up with his group of dissidents. On the other hand, he split with Alfonso Robelo, with whom he had had an understanding. Recently he has been in the United States asking the Reagan administration to give him money so he can continue his struggle, and he makes statements to the effect that he does not agree with the U.S. position on invading Nicaragua.

[Question] Would that be a betrayal of the revolution?

[Answer] That is what we consider to be a true betrayal of the revolution, because he has proposed that our enemies support him in an armed movement to combat the Sandinists.

#### Imprudence or Cleverness

[Question] I get the impression that the Nicaraguans are still a bit immature in international diplomacy, or very clever. For example, the imprudence of taking the issue of Central America to the United Nations when the Contadora Group was in the middle of it. What do you think?

[Answer] I respect your opinion, but it was a necessity, an obligation to take that case to the UN so that the world would be particularly aware of the situation in Nicaragua. What were the reasons for our position? To prove that the United States is manipulating events in Central America, primarily against my country. We think that our attitude strengthened Contadora.

[Question] It is said that when Nicaragua took the matter of Central America to the United Nations, it was playing two cards: If it does not achieve its objectives at the UN, then maybe it will with the Contadora Group, but in the

meantime it gave the latter a jab at its weak point. Don't you think that an issue debated in the United Nations tends more toward political positions than to the specific analysis of the facts?

[Answer] I repeat that in taking our case to the UN, we wanted to tell the world what was happening in Nicaragua and to obtain total support for Contadora, which will become stronger as the world lends it support. It has been deceitful to give the public the impression that we do not believe in the Group, when we were the main ones to advocate supporting it in the beginning. That is proved by the fact that during the meeting of presidents in Mexico, we Nicaraguans were the first ones to come out in favor of the Cancun declaration. In recent months, we have been the only ones to make a formal and serious proposal to Contadora. I can even tell you that at the meeting of the Contadora Technical Group, held recently in Panama, we presented a new position which will be revealed after it has been discussed at the next meeting of foreign ministers on the 20th and 21st of this month in the Panamanian capital, regarding support for the Document of Objectives.

Problem

[Question] Mr Ambassador, you said that in any case Nicaragua's bringing the issue before the UN strengthened Contadora. Does that mean, then, that Contadora was very weak at that time?

[Answer] It was at a very personal level. Let's not say weak, but there was a problem in terms of what decision could be made on the basis of Contadora. What were the 21 points of the Document of Objectives, and how did they apply? And for that purpose they had to look very carefully at what they wanted to do. So what did Nicaragua do? It strengthened Contadora at the UN so that it could face all the enemies it has. One of the biggest has been the United States, because on the one hand President Reagan was saying that he supported the efforts of Contadora, and on the other hand, as you noted in one of your Sunday articles, he was sending his fleets to the Atlantic and Pacific coasts of Nicaragua. That is not the way to talk about peace.

[Question] Do you think the United States has specifically impeded peace in Central America? Remember that the United States says Nicaragua has.

[Answer] The United States has. The determining factor for the pacification of the region is the United States, because the Americans are in a position to define the special situation of Central America just by force. In this regard, I will mention an answer Ambassador Lewis A. Tambs gave in your interview with him, when he practically said that we were softening up because they were giving us the hard line. I respond to that that our flexibility lies in our strength, because we have the total backing of the Nicaraguan people. Don't think we passed the new decrees on political amnesty and elections for 1985 because of the United States' toughness; it was because the elections have been announced since the beginning of the revolutionary process, and as for the pardon of opponents of the government, that is an example of the generosity we have always displayed.

## Only Solution

[Question] Does Nicaragua think at this time that the only solution for peace in Central America is through the Contadora Group, and not another forum?

[Answer] Yes. We think that if the countries involved in the problem can accept that the objective is Contadora, then we believe the true pacification of the Central American area can be achieved.

[Question] The elections decree states that the electoral process will begin on 31 January 1984. Is the Junta willing to have the elections monitored by international observers?

[Answer] That has not been considered, but I suppose so.

[Question] Is there a date for the elections?

[Answer] The specific month and day have not been determined.

[Question] The right says the amnesty decree is a farse because it excludes former Somoza guards and chiefs of counterrevolutionary bands, while the left accepts it completely. I won't ask you what you think of that, because everyone already can guess your answer. But what security guarantees will the Junta provide for those counterrevolutionary soldiers who may want to return to work in Nicaragua?

[Answer] The guarantees are set forth in the decree itself, and are provided by the positive attitude of the Nicaraguan people in accepting these people. Their physical integrity will be respected. If no one was executed after the triumph of the revolution, it is much less likely to happen now.

[Question] After the U.S. invasion of Grenada, it appears that Cuba will not lift a finger to defend Nicaragua in case of a U.S. intervention, and that is why the Americans are playing cat and mouse with you. They have derived a lot of confidence and encouragement from recent events in Grenada. What do you think in that regard?

[Answer] We do not need to be defended. We have enough people to defend our sovereignty and our revolution. The hard line taken by the United States in recent times brings no benefit or solution to the Central American problem. But they should not think that the big stick policy will scare us. The United States invaded Grenada to take care of circumstances that they thought were strategic for their "security." I also think that they were feeling out the situation to see what the world repercussions of a subsequent Nicaraguan intervention would be. Nicaragua is not Grenada.

## "We Respect Castro's Position"

[Question] Does Fidel Castro's announcement that he would not support Nicaragua in case of intervention by the United States reflect any deterioration in relations between Cuba and Nicaragua?

[Answer] We do not think there has been any deterioration. We respect President Castro's decision not to intervene. We think he continues to respect us in that regard. Furthermore, Nicaragua has enough human resources to defend its revolution.

[Question] Do you really believe Cuba will not help you?

[Answer] I really don't know how far the situation would go in a U.S. intervention, but we have enough strength to defend ourselves. What we do need, however, in case of an invasion, is the moral support of the Latin American nations.

[Question] Doesn't it seem to you that you have made a lot of mistakes domestically, and now the United States and the Eden Pastora group are forcing you to pay for them? Note that I am not including the former Somoza guards because that is another issue.

[Answer] We have made mistakes, but we have not been wrong. We are not paying any price at this time because we have been able to overcome the difficulties.

[Question] The U.S. ambassador to Colombia has said that the members of the Nicaraguan Junta are afraid of their own people, and that is why they are digging trenches. He also alludes to a revolt by officers and the reported execution of several of them by firing squad. How do you explain that?

[Answer] Mr Tambs must be basing those assertions on incorrect information. That is totally false. No one has been executed in Nicaragua. It is true that trenches are being dug, because we are preparing for a U.S. invasion.

### Censorship

[Question] There is no free press in Nicaragua. How do you see this issue within the context of your country?

[Answer] We feel that there must be a free press, but you must understand that Nicaragua is not in a period of peace and tranquility, but rather one of war, albeit undeclared. Thus, steps have been taken to counteract the disinformation that is being carried out by every means, internally and externally, to try to destabilize the Nicaraguan process. There is a press law that guarantees reporting on what is going on on the northern and southern borders, and that is why the press is subject to a certain amount of censorship.

[Question] How do you view the United States' decision not to grant a visa to Cmdr Tomas Borge to go to the United States and inform people of what is going on in your country? Is that so that the U.S. public will not find out about the Reagan administration's actions in Central America?

[Answer] Definitely. The Reagan administration panics when there is any mention of one of our leaders traveling to the United States. Cmdr Borge was merely going to bring a message of peace to various organizations and tell

about what is happening in Nicaragua. They find it offensive for us to say that the illiteracy rate fell from 57 to 10 percent, or that there is land for the peasants. So it does not suit them. And to stop the dissemination of that kind of information in the United States, they deny a visa to one of our leaders. The American press and public criticized this attitude of the U.S. government. As a matter of fact, it was not our idea for Borge to travel to that country; he was invited by some U.S. congressmen and organizations that wanted to know in detail what was happening in Central America, because there is disinformation.

#### Support from Mexico

[Question] Why did you trade economic aid from the United States for Cuban-Soviet aid?

[Answer] I like that question because it gives me the opportunity to say that it is not true that we are receiving aid exclusively from Cuba and the Soviet Union. It is true that we have traded, or rather that they have forced us to trade the cooperation we got from the United States for that of the European Economic Community, or for that of nations such as Mexico, which has given the Nicaraguan revolution total support and solidarity. No one wants to say that Mexico has helped us most of all. So have the European countries in general, and the Socialist bloc as well. Colombia has increased its trade with us in recent months, which is very positive.

#### Honduras and Costa Rica

[Question] Finally, how are relations between your country and Honduras and Costa Rica? Has tension lessened notably?

[Answer] In the case of Honduras, we already know who really controls the situation in that country. As for Costa Rica, we have made quite a bit of progress in our relations, even though on some occasions our relations have deteriorated because it says it is neutral, but it has tolerated the presence of some counterrevolutionary groups in its territory. Right now our ties with Costa Rica are cordial. President Monge has declared that he is not willing to continue supporting those bands, and that he will try to maintain that position by all means.

8926

CSO: 3248/274

PAPER SEES OPPOSITION 'VIOLENCE' AS LEGACY OF GRENADA

Basseterre THE DEMOCRAT in English 3 Dec 83 p 2

[Editorial]

[Excerpts] The role of St. Kitts and Nevis in taking part in the rescue mission of the Grenadian people has already been officially documented by the Prime Minister the Honourable Dr. Kennedy Simmonds in his nationwide broadcast following his return from the emergency Summit Talks held by OECS and CARICOM Leaders.

We feel that the real significance of the decision of the OECS Leaders together with the participation of Jamaica and Barbados to rescue the people of Grenada is the timely halting of the erosion of democracy in this area as well as a demonstration of a genuine spirit of true brotherhood.

While Grenada continued to accelerate its drift further and further toward hard-line Communism, and provided a rallying-point for the other left-wing movements and Communist cells in the chain of islands. [as published] These radicals and would-be revolutionaries drew strength from the infiltration into the region of Russian operatives and others from the more radical Communist countries, such as Libya, East Germany, North Korea and Czechoslovakia.

The increasing trend towards more and more outspoken threats of violence in the Opposition St. Kitts Nevis Labour Party is one of the most obvious examples of the influence of Communist, revolutionary Grenada upon Socialist leftist politicians in the Caribbean. Public platform declarations about Labour Leaders resolve to kill are merely a reflection of Hudson Austin's resolve to kill hundreds of Grenadian men, women and children. A statement about the readiness to take any risk to remove a Government in St. Kitts without elections is the starting-point for the eruption of the mass murder of Government Ministers in Grenada.

But you notice how strenuously Lee Moore swore /after the rescue mission/ [underscored] that he does not really believe in violent overthrow?

CSO: 3298/299



## BRIEFS

POLICE IN GRENADA--Commissioner of Police Mr. Stanley Franks returned to the State this week from the recently troubled island of Grenada, where he paid a familiarisation visit. While in Grenada, Commissioner Franks held discussions with Police Personnel from the St. Kitts body and fellow Police Officers from the O.E.C.S. Member States. According to Mr. Franks, the men are in high spirits and things are gradually returning to normal in Grenada. At present, six Police Volunteers from St. Kitts and Nevis are in Grenada. These will be relieved within the next week when it is expected that another batch of volunteers would go to serve in that island. The Commissioner also disclosed that Volunteers are changed every three or four weeks. [Text] [Basseterre THE DEMOCRAT in English 26 Nov 83 p 2]

CSO: 3298/299

## CSE ANNOUNCES ELIMINATION OF 43 POLITICAL ORGANIZATIONS

Caracas EL NACIONAL in Spanish 8 Dec 83 p D-14

[Article by William Becerra: "The Parties Eliminated May Participate in Municipal Elections"]

[Text] Of the 55 political organizations which have participated in elections, 43 will be eliminated due to failure to obtain 1 percent of the vote.

There were 24 national parties, 14 regional parties, three groups of national voters and 14 groups of regional voters participating in the election.

Some political organizations will be eliminated pursuant to the single paragraph of Article 26 of the Law on Political Parties, Public Meetings and Demonstrations. The text says that "the parties which have obtained 1 percent of the votes cast in the pertinent national elections will have only to submit certification as to the votes they obtained, duly endorsed by the proper electoral body. This norm will also apply to the regional parties."

On the basis of the electoral results announced yesterday by the Supreme Council, the following political organizations will be eliminated:

Electoral Renewal Integration (IRE), New Order (NOR), Socialist League (LS), National Integrity Movement (MIN), The Radical Cause (LCR), Renewal Action Group (GAR), National Redemption (RN), Independent Voters (EI), Venezuelan Nationalist Party (PNV), Emancipating Force (FE), Electoral Confidence (CONF), Organized We Will Triumph Independents (VOI), Majority Independent Committee (CIMA), Independent Socialists, Nationalist United Front (FUN), Organized Independent Movement (MIO), New Democratic Generation (NGD), Independents With Caldera (ICC), National Utopia Movement (Utopia), National Renewal Movement (Morena), The People Advance (EPA), Progressive Independents (IP), Patriotic Union (UP), Opinion and Action Group (GOA), and Organized Revolutionary Integral Community Movement.

The following will also be eliminated: the National Integration Front (FIN), Araguaney Independent Movement (AMI), Democratic Independent Committee (CIDE), Democratic National Emergence (ENADE), Movement for the Defense of Nationalist Ideas (MPDIN), Independent Revolutionary Force (FRID), Dynamic Neighborhood Renewal (RDB), Communal Alliance (ALCO), Merida Independents Committee (CDIM), Venezuela 83 Independents Movement, Popular Communal Incorporation (ICP), Sucre Nationalist Independents Organization (ONIS), Merida

State Neighborhood Unity, Nueva Esparta Independents Movement, Oriente Voters' Group for Sucre, Popular Decision (DP), Voters With Rojas Contreras for the Congress and Democratic Cause (CD).

#### Opinion of a Political Expert

Many individuals are wondering why political organizations proliferate and whether it is possible to slow this political zeal to win power.

Concerning this matter, we consulted political expert Nelson Maica Carvajal, executive secretary of the Technical Advisory Commission of the Supreme Electoral Council. By way of a completely personal opinion, he said:

"Democracy is most intimately linked with the party system; it has even been said that if there are no parties there is no democracy. The fact is that some definitions say that these parties not only represent the popular will but its whole role and function in connection with the voting citizens, in relation to society. And also, to a much deeper extent, in relation to the very concept of democracy, which is and has been administered here among us in a very functional way."

He said that someone has stated that one way of measuring the functioning and level of democracy in a country is in terms of the potential level and treatment given the minorities by the majority, and thus by the government.

"If it is true that some individuals and even groups administer democracy as a majority function, trying to prevent the proliferation of minorities, it is equally true that there must exist some way, some fashion, in which the minorities can organize and express themselves politically."

In his view the parties should be situated between organized society and the state, but never above the state or above society, as in our case. He believes that when the legislators shaped the right of the people of Venezuela to organize in political parties in the national constitution, no limitations were set, but rather an effort was made to create a form, a possibility, for all Venezuelans. But the laws which have followed and tried to give meaning to this possibility have left many holes, through which only the majority thinking falls, and thus reform is needed.

"However, prior to such reform, it is necessary better to define the concept of democracy and the role of the parties, as well as the mathematical method by means of which the representatives are allocated to a given population sector, and indeed all of the voters."

He further noted that the present method, invented by the Belgian lawyer and mathematician d'Hondt, has undergone several corrections, precisely in order to adapt it to the system of political parties and representation. Now it is time for revision, because it only favors the majorities, or, more accurately speaking, the principal majority.

## PETKOFF DISREGARDS CONCERNS FOR LEFTIST UNITY

Caracas EL NACIONAL in Spanish 7 Dec 83 p D-14

[Article by Hector Landaeta]

[Text] "The rest of the left wing does not interest me. It is the MAS [Movement Toward Socialism] which interests me."

This categorical statement was made yesterday by the president of the MAS, Teodoro Petkoff, during a press conference at which he supplied journalists with an official statement by the national board concerning the electoral results.

Petkoff stressed that he was making this statement on a strictly personal basis, and in answer to the journalists' questions about new comments concerning the need for left-wing unity.

The former MAS and MIR [Movement of the Revolutionary Left] presidential candidate had with him high party officials and independents who supported his campaign. They included Pompeyo Marquez, Luis Bayardo Sardi, Freddy Munoz, Carlos Rodriguez, Eduardo Pozo, Eloy Torres, Victor Hugo de Paola and Gonzalo Ramirez Cubillan, among others.

"I cannot be satisfied because we have maintained the same strength," Petkoff said in commenting on the electoral results.

But, on the other hand, he denied that this is a matter of imbalance within the MAS, because he announced that it remained a consolidated force within the national political spectrum, with a vote of about 7 percent. Within what he called the "AD [Democratic Action] vacuum cleaner," he noted, the MAS resisted "the pressure which destroyed all the others." But there is an obvious fact he analyzed in a few words: "We did not measure up to our expectations."

In commenting on the vote on Sunday, he summarized what the document issued by the national leadership said.

"The Venezuelan citizens did this, thus showing a definite inclination toward the candidate and the party in whom they saw the possibility of preventing those responsible for the most serious situation the country and the people have experienced in a number of decades from continuing to administer a country which they have led into serious difficulties of all sorts, with

special emphasis on the deterioration of the conditions of life and work for the large national majorities."

The document notes a very special situation which has occurred in recent days.

"At the end of the process, a tremendous polarizing pressure made itself felt, in which a determining factor was the previously mentioned desire to prevent the COPEI [Social Christian Party] from continuing in power, along with the effect of the campaign waged by that party and its candidate, which gave many an impression, which soon proved false, of a turn of the tide capable of making the reelection of Caldera a victorious choice. From the point of view of strict electoral dynamics, this was a determining factor in the vote for the AD and its candidate, and the decline, where we were concerned, in the real potential which had existed before."

Petkoff said that as a candidate, he succeeded in reaching an important level, totaling 15 percent of the electorate, thus creating a very substantial hope. In his view, it was during the last 15 days that "a stampede developed because of the danger that Caldera might win the elections and therefore an overwhelming majority was won."

Petkoff recalled the message of the MAS, and in this connection the document says the following:

"Millions of Venezuelans were awakened by this message, and it is no exaggeration to state that from the point of view of the elections, the electoral debate, there was an intention on the part of the socialists in the MAS which showed great vitality. We note this fact because it is of importance above and beyond the electoral results, since it shows that an important development really occurred for Venezuelan socialism, which definitively won its national charter in the struggle to make our country livable for the popular sectors."

Where the little slate was concerned on this occasion, in Petkoff's view, what he termed an old Venezuelan law came into play: "The larger slate carried the smaller one along with it."

The journalists asked him to state his position on the proposal of unity for the left, and he explained that to date the national leadership has not had any discussion of this matter. However, he saw no problem in stating, from the personal point of view, that "at this moment, today, I am opposed to this thesis of unity on the left. I do not agree with those people."

In another connection, Petkoff said that the MAS had increased its number of deputies in the legislative assemblies from two to 10, while as to parliamentarians, it elected 11 deputies and two senators.

When the reporters insisted on the subject of unity on the left, Petkoff reiterated that the opinion he had given was of a personal nature, and in this connection he said that he was not prepared to continue with this "absurd agitation" within what is called the Venezuelan left wing.

## LEFTIST PARTIES URGE PETKOFF TO RECONSIDER STATEMENT ON UNITY

Caracas EL NACIONAL in Spanish 9 Dec 83 p D-18

[Article by Humberto Alvarez]

[Text] The left-wing Venezuelan parties made a joint appeal to Teodoro Petkoff to reconsider his position in connection with the statements made on a personal basis, wherein he stated that "the rest of the left wing does not interest me. What interests me is the MAS [Movement Toward Socialism]."

Leaders Romulo Henriquez, Eduardo Gallegos Mancera, Adolfo Gonzalez Urdaneta and Marcos Gomez agreed in stating that there is a feeling of unity on the part of the Venezuelan people which should be activated in order to provide a possibility of triumph in the coming municipal elections.

Romulo Henriquez (New Alternative)

The leader of the New Alternative said that it seems absurd to him not to reflect objectively on what happened on Sunday, 4 December. And it seems that Teodoro Petkoff is not giving it consideration, since he seeks to dissociate himself from a key problem for rescuing the left wing from paralysis--its unity.

"The feeling rooted in the people who favor unity," the New Alternative leader said, "is an indicator that unity will give the left wing increased strength."

"I believe that the time is right," he added, "to ask the MAS leaders to reflect at length on the matter, since they are the only leftist leaders who have not come out in favor of, or who have opposed, the spirit of unity."

Deputy Henriquez said that he does not believe that unity alone is the universal panacea, because he thinks that it is necessary, along with it, to establish a policy linking the left with the people in normal and daily fashion and in all aspects of national affairs.

"Would that by seeking unity at this time," Romulo Henriquez said in conclusion, "the left would not divide further, but that language and style might contribute to unity."

Eduardo Gallegos Mancera (PCV [Communist Party of Venezuela])

"The position of Teodoro Petkoff, which is consistently against unity, clearly reveals what we have been saying." This statement was made by the international relations secretary and member of the political bureau of the Communist Party of Venezuela, Eduard Gallegos Mancera.

This veteran leader explained that "Teodoro was and continues to be the main obstacle to unity of the left, more necessary now than ever. A reconsideration of the problem by the other leaders of the MAS is necessary."

"We, and with us the rest of the left wing, the existence of which Petkoff tries to ignore," Gallegos Mancera said, "are ready to talk now, not only about the coalition for the municipal elections, but mainly in order to face up in united fashion to the crisis which is plaguing the country and striking especially at the working masses."

"Regardless of the votes won by Rangel, Jose Vicente was the moral winner in these elections, and he continues to stand out as the champion of unity on the left."

The leader of the PCV believes that the extraordinary advance of that party, more than double its earlier vote, represents recognition of the work with the masses and its invariably united attitude.

"We believe," he went on to say, "that within the MAS, self-critical leadership is functioning, that the MIR [Movement of the Revolutionary Left] will again move toward us, that the Socialist League will maintain its position in favor of unity, and that the MEP [People's Electoral Movement] will, along with us, serve as a valuable rallying factor. It is not only we who say this, for it was Teodoro himself who in haughty fashion reiterated his position opposed to unity. So he remains responsible for it."

Adelso Gonzalez Urdaneta

The secretary general in charge of the People's Electoral Movement, Prof Adelso Urdaneta, deplored Petkoff's statement and profoundly hopes that it does not coincide with the opinion and the feelings of the leadership and the membership of the MAS.

"It is very regrettable," he said, "that there should be such negative stubbornness, with reiterated signs of arrogance, haughtiness and conceit, despite the evidence that the results dictate that any social fighter should assimilate the lessons of reality."

"For the MRP," Gonzalez Urdaneta maintained, "progressive revolutionary unity, with all of us without distinction participating in it, continues to be essential to the strategy for winning power."

In speaking of the next municipal elections, he stated that the unity line will obviously be maintained, and just as the members of his party have been

partisans of parliamentary unity, even when there were two leftist presidential candidates, after every possible effort had been made, they are even more so now, with the concrete evidence of the electoral results.

"Thus we appeal to Teodoro himself and to the other leaders and members of the MAS for the most responsible reconsideration," the secretary general in charge of the MEP said. "A suicidal direction should not be deliberately taken."

Marcos Gomez (Socialist League)

In the view of Marcos Gomez, the leader of the Socialist League, the statement made by Teodoro Petkoff is a hasty and unfortunate assessment which only contributes to the continued deterioration of his image within the left wing. He described it as a somewhat arrogant image, reminding us of Romulo Betancourt, with the difference that the latter had an all-powerful party which directed the country.

"Those of us who maintain unity of the left," Marcos Gomez said, "can state that our vote was significant, since together we won more than 800,000 votes."

"We appeal to the comrades in the MAS to accept these results with caution, consideration and humility. Arrogance and pride do not contribute to the advance of any political force, and these elections are proof of that."

Marcos Gomez said that the defeat of Caldera, the sharp drop in the expectations generated by Teodoro and the decline for the left wing confirm these assessments.

"We hope that beginning today, the various groups on the left will engage in profound reflection, enabling them to hear the demand of the base levels in the various parties."

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CSO: 3348/147



## LUSINCHI MEETS WITH THE CTV, FEDECAMARAS LEADERS

Caracas EL NACIONAL in Spanish 14 Dec 83 p D-5

[Article by Hugo Colmenares: "Celis Says 1984 Will Be Difficult"]

[Text] The full board of directors of the Confederation of Venezuelan Workers (CTV) and the president of the FEDECAMARAS [Venezuelan Federation of Associations and Chambers of Commerce and Industry] met last night with the president-elect, Jaime Lusinchi, in La Ermita, to make preparations for the work commissions which in the near future will serve as the supports for the social pact.

Juan Jose Delpino and Adan Celis said that the talks were cordial and were limited to the methods of work once the new government has taken office in the middle of this coming February.

The board of directors of the CTV, made up of 30 individuals, including acting and alternate members, were the first to speak with the leader of the Democratic Action.

Juan Jose Delpino said that there was readiness to reach an understanding with the FEDECAMARAS as well, "because at the present time, a national view is needed in order to emerge from the crisis."

"We congratulated him on his triumph. We informed him of our most definite support where dialogue is concerned, and that of the organized trade union movement."

As is public knowledge, there are various partisan political views within the CTV, "but this does not stand in the way of a common willingness to talk about the problems of the nation."

With regard to the expectations of the country and the current situation, he said that "there is hope for a return to confidence in order to produce economic reactivation and the employment of idle manpower."

Concerning the transportation strike, he said that there is full support for it, because it is unfair for drivers to be denied the payment of wages and utilities.

"In this way, work is not possible."

In conclusion, he said that to date no names of the members who will serve on the CTV-government work commissions have been given.

"I would rather not mention any names."

#### Statement by Adan Celis

While the members of the CTV board were meeting, Adan Celis awaited his turn. He then talked with the president-elect, Jaime Lusinchi, for an hour. He expressed the view that if "we combine our ideas for progress, it is feasible to hope that beginning in 1985, the country will have emerged from the economic crisis."

He said that "I am here at the cordial invitation of President Lusinchi. We discussed what would be the best way of initiating consultation with the broadest variety of sectors interested in national problems, such as the workers, businessmen and the national government."

He stressed the fact that the meeting was "preliminary, concerning economic matters and the farm issue."

He described the meeting with Lusinchi as productive and interesting. He said that next Thursday, the board of directors of the body he represents will meet with the president-elect at 10 am. "There will be more details then, because the presidents of the sector commissions will be present."

He said that "we will study the general guidelines for agreement."

He was asked if this means that the social pact is the salvation of the country.

"No, one cannot take this expression literally," he said. "Constant dialogue and joint work are necessary."

#### Things Will Be Difficult

At one point he stated that in this coming year, "things will be very difficult, but if they are taken as such and if we make an effort we will emerge triumphant in 1985."

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CSO: 3348/148

## BRIEFS

**ELECTORAL ABSTENTION RATE**--The Supreme Electoral Council (CSE) estimated the percentage of abstentions in the Sunday elections at 12 percent, maintaining the level seen in the 1978 elections. As EL NACIONAL reported a month ago, an abstention level of 12 percent was reached in the presidential and legislative elections. This percentage reveals the consistency of the Permanent Electoral Register (REP) with regard to the figures for non-registered deceased persons and the habits of Venezuelans who do not vote. This figure (12 percent) is inflated, since the real figure for citizens who for various reasons do not vote is 6 percent. The other half of the percentage figure pertains to voters who have not been removed from the REP. This occurred during the 1978 elections, since the REP has no record of the total number of deceased persons, and according to population estimates (the only ones in existence), the real figure is about 6 percent. Because of this situation, there is a thesis with considerable support in the CSE to the effect that individuals who did not vote in 1978 or this year should reregister with the REP in 1988, because their names would have been removed from it. This norm will make it possible to measure the level of real abstention accurately, since this would be a way of correcting the electronic record of the REP more systematically with regard to the accumulated names of deceased voters. [Text] [Caracas EL NACIONAL in Spanish 8 Dec 83 p D-11] 5157

**BOND ISSUANCE REQUESTED**--The minister of finance met yesterday with the CORDIPLAN [Office of Coordination and Planning] minister, Maritza Izaguirre, and the head of the OCEPRE, Aurelio Useche, to analyze the documents sent to the Congressional Delegates Commission requesting approval of 2,700,000,000 bolivares in state bonds. This transaction was approved Tuesday night by the board of directors of the Central Bank of Venezuela. According to Arturo Sosa, these 2,700,000,000 bolivares will be used to cover the expenditures made by the BIV [Industrial Bank of Venezuela], the BANDAGRO [Agricultural-Livestock Development Bank] and the BND [National Development Bank] on behalf of various state bodies to pay interest on their debts. At yesterday's meeting, the government officials also analyzed the alternative possibilities for covering this year's fiscal debt. Special plans are being developed to cover 6,900,000,000 bolivares falling due at the end of the month in treasury notes. Only a part of this sum can be covered with treasury reserves, because the greater portion is immobilized in various financial institutions. Within this framework, the Ministry of Finance, the OCEPRE and the CORDIPLAN will review the various sources with a view to covering a deficit of more than 11,800,000,000 bolivares in the consolidated budget for this year. The approved notes totaling 2,700,000,000 bolivares involve interest of 13, 14 and 15 percent and come due in 2, 3 and 4 years. [Text] [Caracas EL NACIONAL in Spanish 8 Dec 83 p D-6] 5157

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